

CONFIDENTIAL

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: Fat Chance Oil & Gas, LLC		8. WELL NAME and NUMBER: Crawford 4-25
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		9. FIELD AND POOL, OR WILDCAT: Wildcat
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 472' FNL 748' FWL AT PROPOSED PRODUCING ZONE: same		10. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 25 T9N R7E S
13. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 3 miles SE of Woodruff		11. COUNTY: Rich
		12. STATE: UTAH
14. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 4000'	15. NUMBER OF ACRES IN LEASE: 3,611	16. NUMBER OF ACRES ASSIGNED TO THIS WELL: 160
17. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 15840'	18. PROPOSED DEPTH: 4,000	19. BOND DESCRIPTION: Utah DOGM Surety #885588C
20. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5983' GR	21. APPROXIMATE DATE WORK WILL START: 9/1/2001	22. ESTIMATED DURATION: 10 days

23. PROPOSED CASING AND CEMENTING PROGRAM							
SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
12 1/4"	9 5/8"	H-40	32.3#	500	Type III	225 sx	1.54 14#
8 3/4"	7"	J-55	23#	3,700	50/50 Poz	250 sx	1.22 14.3#

24. ATTACHMENTS	
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:	
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input checked="" type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

DIVISION OF
OIL, GAS AND MINING

JUL 17 2001

RECEIVED

NAME (PLEASE PRINT) Bill Courtney TITLE Operations Assistant

SIGNATURE Bill Courtney DATE 7/16/2001

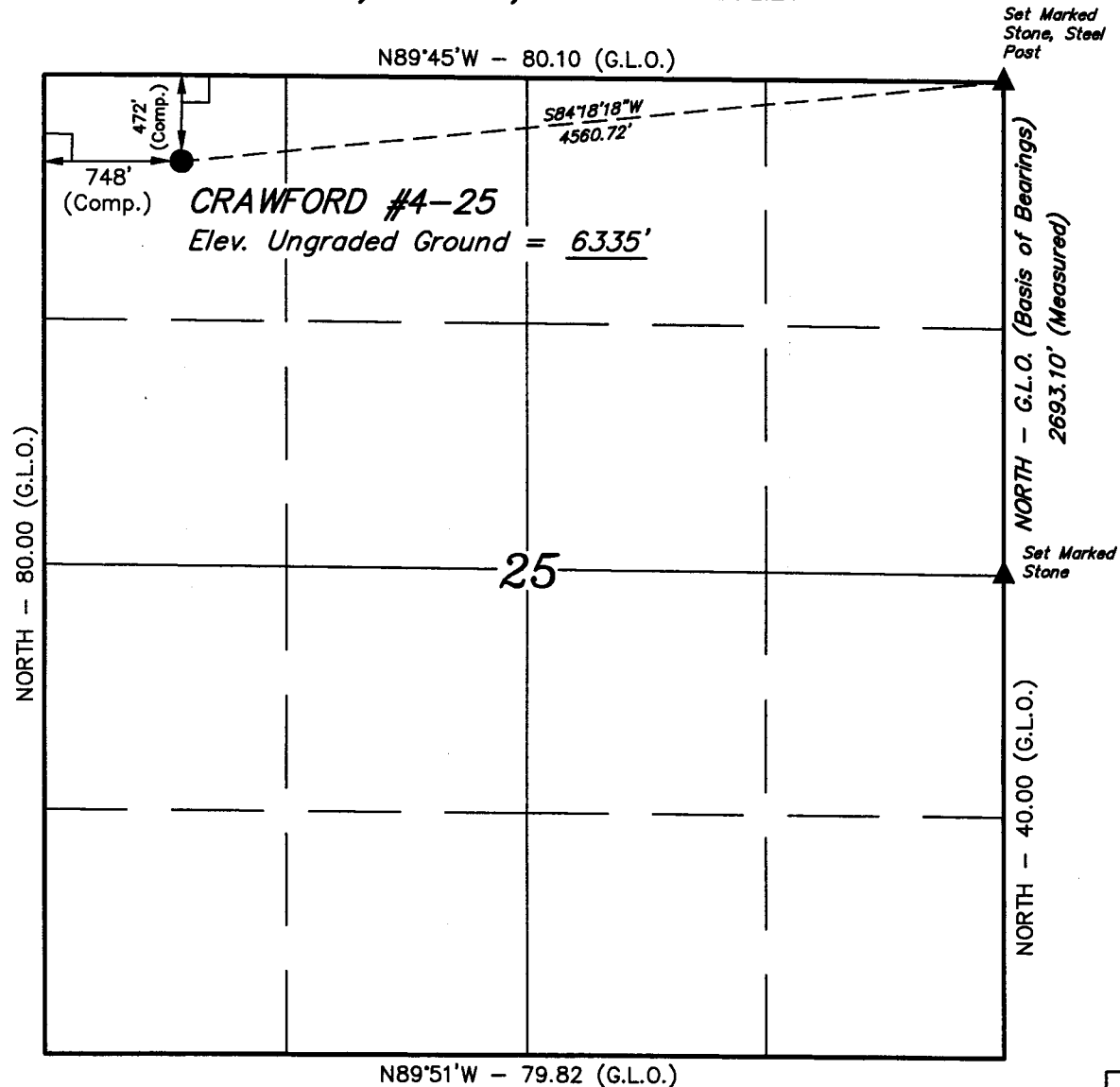
(This space for State use only)

API NUMBER ASSIGNED: 43-033-30065

APPROVAL:

Approved by the
Utah Division of
Oil, Gas and MiningDate: 08-06-01By: [Signature]

T9N, R7E, S.L.B.&M.



LEGEND:

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- = SECTION CORNERS LOCATED.

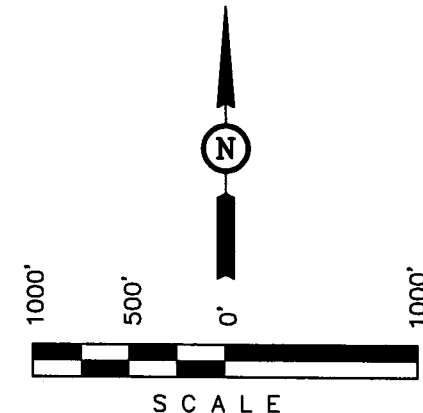
LATITUDE = 41°29'39"
LONGITUDE = 111°06'25"

QUANECO, LLC.

Well location, CRAWFORD #4-25, located as shown in the NW 1/4 NW 1/4 of Section 25, T9N, R7E, S.L.B.&M. Rich County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT A ROAD INTERSECTION IN THE NW 1/4 OF SECTION 23, T9N, R7E, S.L.B.&M. TAKEN FROM THE WOODRUFF NARROWS QUADRANGLE, UTAH, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 6305 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 7-12-01	DATE DRAWN: 7-13-01
PARTY J.F. P.J. C.G.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE QUANECO, LLC.	

CONTACT LIST

Fat Chance Oil & Gas, LLC
PO Box 7370
Sheridan WY 82801
307-673-1500

George Frazier or Catherine Frazier
1195 W. Monte Cristo Road
Woodruff UT 84086
435-793-4119

DRILLING PLAN

Operator: Fat Chance Oil and Gas, LLC
Crawford 4-25
T9N R7E, Rich County, Utah

1. ESTIMATED TOPS OF GEOLOGIC MARKERS

<u>Formation</u>	<u>Depth</u>	<u>Fluid</u>
Wasatch	Surface – 600'	Potential water sands
Evanston/Adaville	600' – 1500'	Water, Gas
Frontier	1500' – 3000'	Water, Oil, Gas
Aspen	3000' – 3200'	None
Bear River	3200' – 4000'	Water, Oil, Gas
TD	4000'	

2. ESTIMATED DEPTHS OF ANTICIPATED WATER AND GAS FORMATIONS

The objective formation is the Bear River formation. Operator intends to evaluate shows in the Adaville, Frontier and Bear River intervals. The anticipated tops are listed in section one of the drilling plan.

3. PRESSURE CONTROL EQUIPMENT

Minimum Specifications:

1. 11" 3M BOP stack consisting of an annular preventer, pipe ram, and blind ram.
 2. 2M choke manifold consisting of two adjustable chokes and bleed line.
 3. 2" Kill Line
 4. 2" Choke Line
-

All components of the BOP stack are to be installed and pressure tested before drilling out from under the 9 5/8" surface casing. Rams, manifold and lines are to be tested to both a low pressure of 250 psi and a high pressure equal to the working pressure rating. The annular preventer is to be tested to 70% of the working pressure.

An adequate accumulator system will be utilized to hydraulically operate all components of the BOP equipment.

The surface casing will be pressure tested to 1000 psi.

The BOP equipment will be tested once every 30 days and whenever a pressure seal is broken.

DRILLING PLAN

Operator: Fat Chance Oil and Gas, LLC
Crawford 4-25
T9N R7E, Rich County, Utah

Operator will adhere to Utah Oil and Gas Conservation General Rule R649-3-7(Well Control).

4. CASING PROGRAM

Surface:

OD: 9 5/8"
Grade: H-40 or greater
Wt: 32.30# or greater
Cement: Cemented to surface with Lite and Tail Cements as required.
Centralizers will be utilized to assure proper cement placement.

Production:

OD: 7"
Grade: J-55 or greater
Wt: 23# or greater
Cement: Cemented to cover and isolate all zones of interest with Lite and Tail cements as required. Centralizers will be utilized to assure proper cement placement.

Surface casing will be cemented to surface, thus protecting shallow aquifers and the associated water. All zones of interest will be identified and evaluated. After running production casing, cement will be displaced to cover the shallowest zone of interest. As necessary, stages tools will be utilized if hydrostatic heads are excessive. The casing program will consist of setting 9 5/8" surface casing and 7" production casing.

5. DRILLING FLUID PROGRAM

The drilling fluid will be a lightly treated fresh water native mud. Hole conditions will dictate if additives such as chemicals, gel or weighting materials are added. It is anticipated that occasional gel with LCM and/or polymer sweeps will be required to adequately clean the hole. Mud weight will be maintained at 9.5#/gal or less. Adequate quantities of barite to raise the mud weight to 10.5#/gal will be stored and available on location before drilling out the surface casing cement plug.

Mud pits will be visually monitored. The hole will be filled during trips and kept full at all times unless lost circulation is encountered.

DRILLING PLAN

Operator: Fat Chance Oil and Gas, LLC
Crawford 4-25
T9N R7E, Rich County, Utah

6. EVALUATION PROGRAM

Coring:

Due to the wildcat status of the proposed well, coring is not anticipated.

Logging:

One-man logging unit during drilling.

Open hole FDC-CNL-GR logs will be run from TD to surface.

7. ABNORMAL PRESSURES OR TEMPERATURES

No abnormal pressures or temperatures are expected. Maximum anticipated bottom hole pressure is 1950 psi or less. The pressure gradient at any depth is expected to be .43 psi/ft or less.

Hydrogen sulfide gas is produced from deeper formations in wells located within close proximity of the proposed well. However, the objective of the proposed well is the Bear River formation from which no hydrogen sulfide has been encountered nor in any formations above the Bear River. The presence of hydrogen sulfide in the proposed well is not expected or anticipated.

8. ADDITIONAL INFORMATION

Anticipated spud of the proposed well will be immediately or as soon as practical after State approval.

Fat Chance Oil and Gas, LLC intends to test and evaluate any zone that indicates potential. The testing technique will consist of selectively perforating and flowing each zone of interest. Bridge plugs will be utilized to isolate zones as necessary for independent zone testing. Testing will be accordance with Utah Oil and Gas rule R649-3-19(Well Testing) and results will be submitted in writing to the Division of Oil, Gas and Mining.

QUANECO LLC

P.O. Box 7370
Sheridan, Wyoming 82801
307 673-1500


July 16, 2001

Lisha Cordova
Utah Division of Oil, Gas and Mining
1594 West Temple, Suite 1210
Salt Lake City, Utah 84114-5801

Dear Lisha

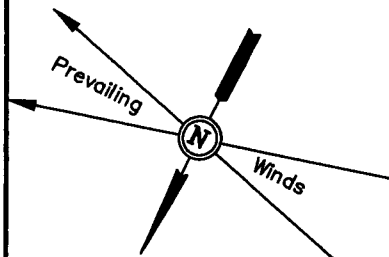
We will obtain water for drilling and completing the Crawford 4-25 well from the Bear River on the Richard Martin Ranch or from the Chapman Ditch, both sources which were approved for use at the Murphy Ridge locations. I have submitted a letter to Mr. John Barnes with the Wyoming State Engineers Office in Cheyenne per his request and he will amend our temporary use permit to include this well.

Sincerely,


Bill Courtney

QUANECO, LLC.
LOCATION LAYOUT FOR

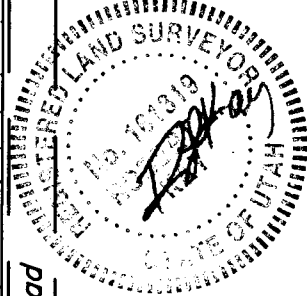
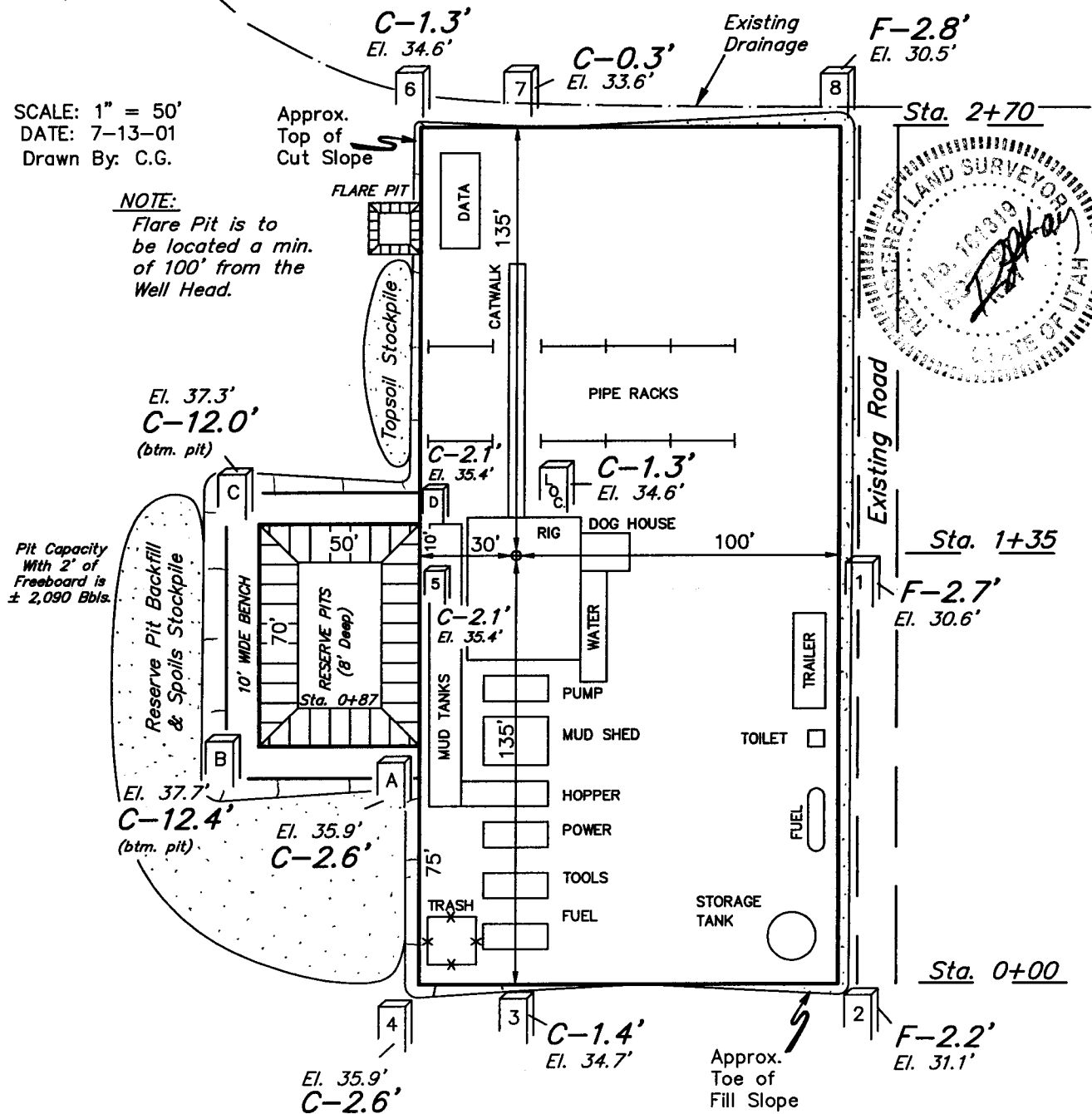
CRAWFORD #4-25
SECTION 25, T9S, R7E, S.L.B.&M.
472' FNL 748' FWL



SCALE: 1" = 50'
 DATE: 7-13-01
 Drawn By: C.G.

NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.



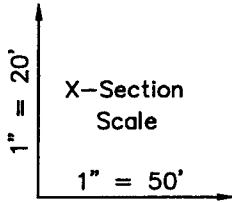
Elev. Ungraded Ground at Location Stake = 6334.6'
 Elev. Graded Ground at Location Stake = 6333.3'

UINTAH ENGINEERING & LAND SURVEYING
 85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

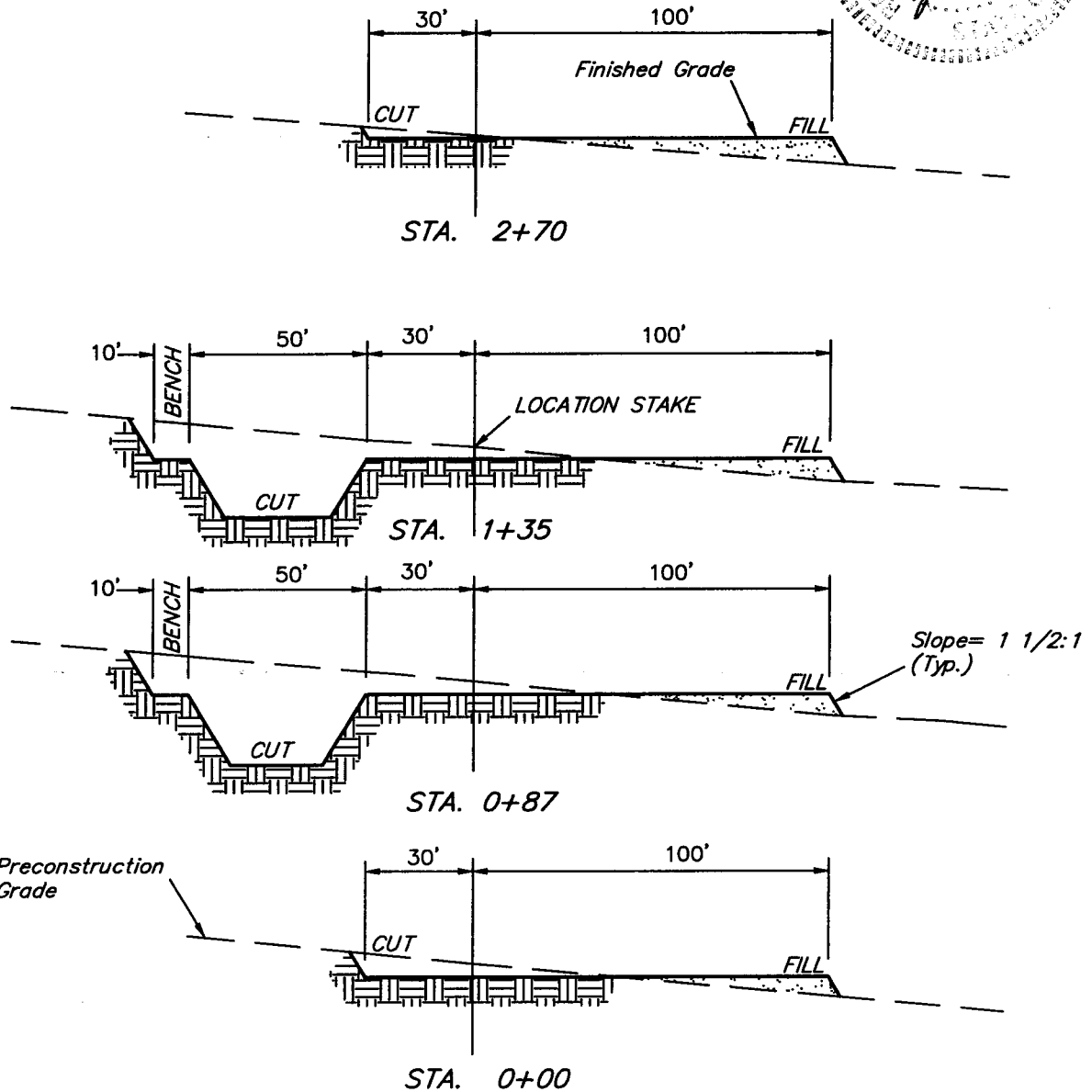
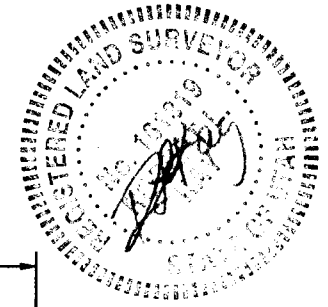
QUANECO, LLC.

TYPICAL CROSS SECTIONS FOR

CRAWFORD #4-25
SECTION 25, T9S, R7E, S.L.B.&M.
472' FNL 748' FWL



DATE: 7-13-01
Drawn By: C.G.

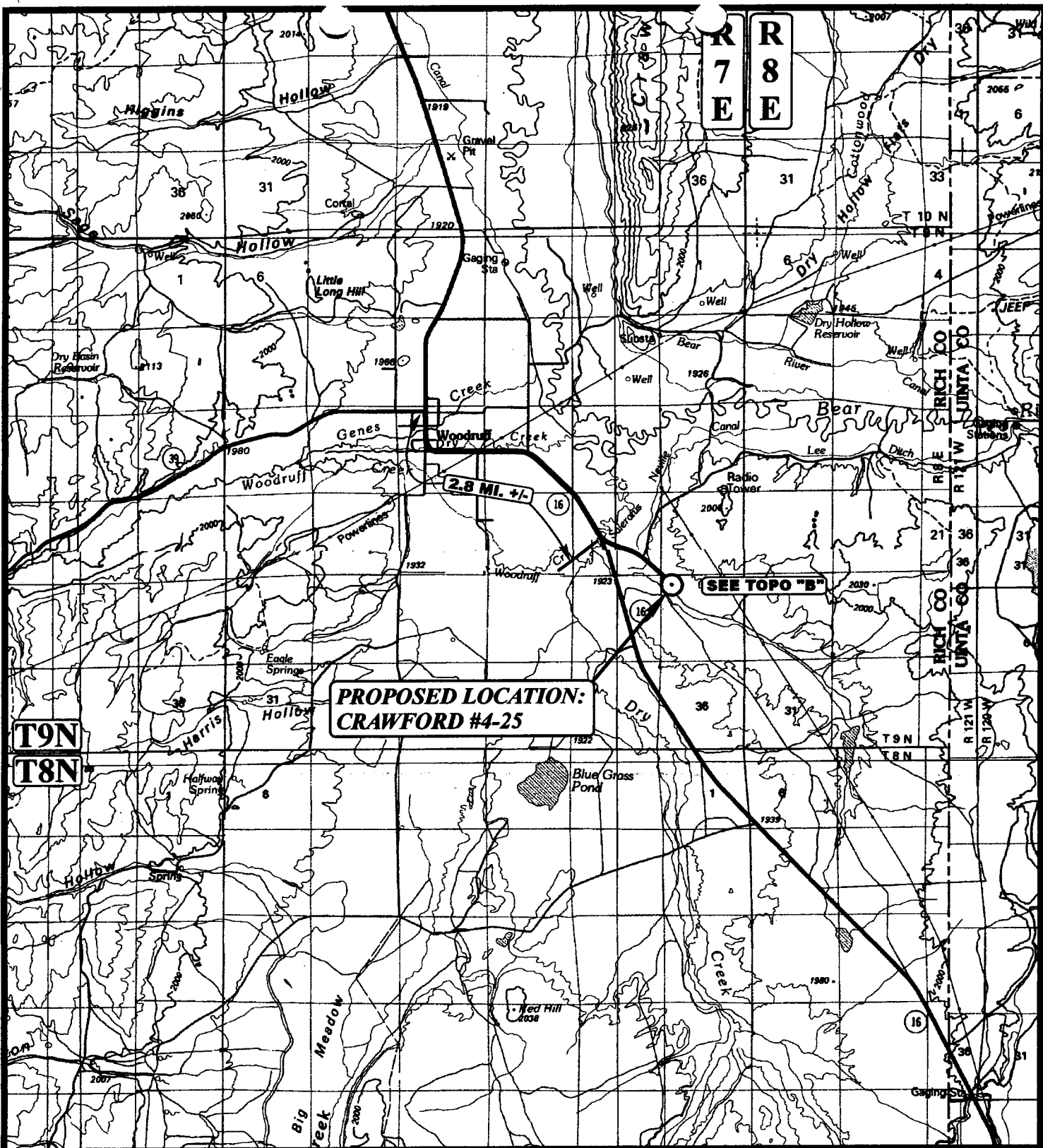


APPROXIMATE YARDAGES

(6") Topsoil Stripping	=	750	Cu. Yds.
Remaining Location	=	1,770	Cu. Yds.
TOTAL CUT	=	2,520	CU.YDS.
FILL	=	1,370	CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	=	1,080	Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	1,080	Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	=	0	Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017



LEGEND:

⊙ PROPOSED LOCATION



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



QUANECO, LLC.

CRAWFORD #4-25
 SECTION 25, T9N, R7E, S.L.B.&M.
 472' FNL 748' FWL

TOPOGRAPHIC
MAP

7 13 01
 MONTH DAY YEAR

SCALE: 1:100,000 | DRAWN BY: K.G. | REVISED: 00-00-00



QUANECO, LLC.
CRAWFORD #4-25
LOCATED IN RICH COUNTY, UTAH
SECTION 25, T9N, R7E, S.L.B.&M.

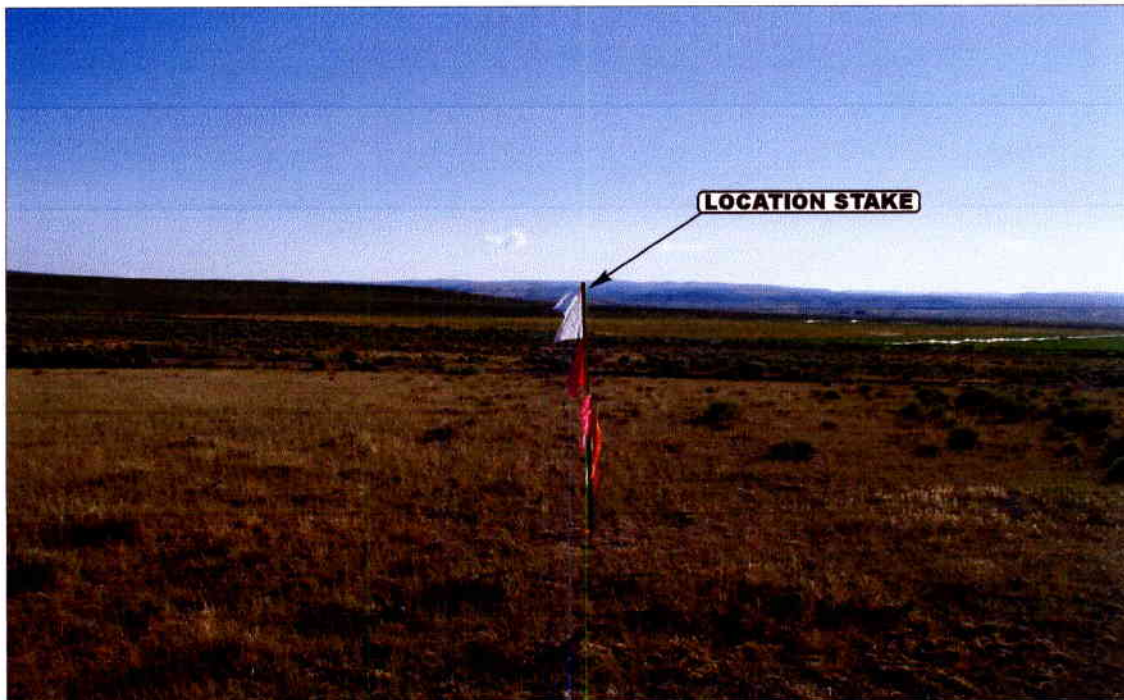


PHOTO: VIEW OF WELL LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY



PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: SOUTHEASTERLY



- Since 1964 -

UELS

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

7

MONTH

13

DAY

01

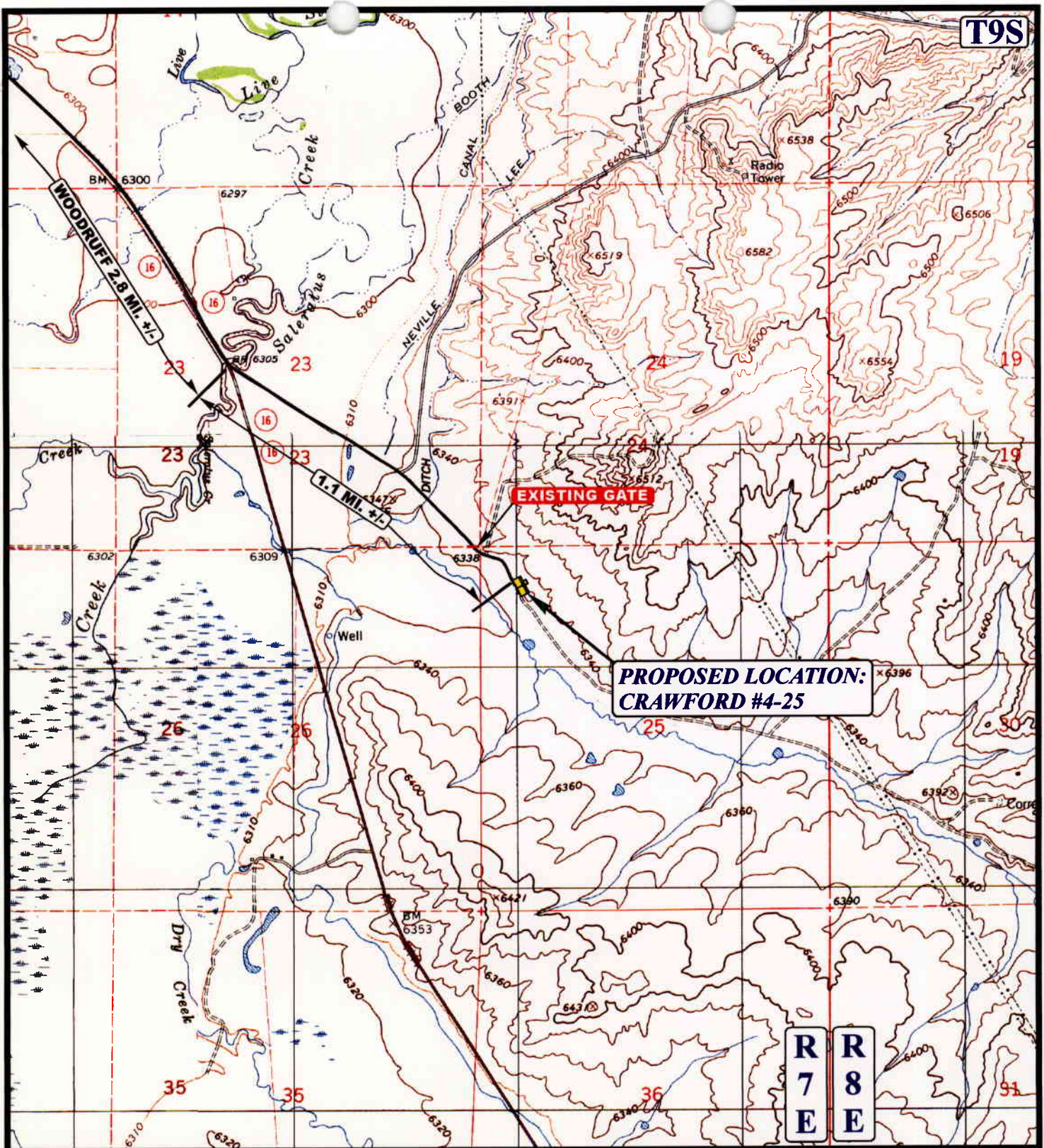
YEAR

PHOTO

TAKEN BY: J.F.

DRAWN BY: K.G.

REVISED: 00-00-00



LEGEND:

----- PROPOSED ACCESS ROAD
 ===== EXISTING ROAD



QUANECO, LLC.

CRAWFORD #4-25
SECTION 25, T9N, R7E, S.L.B.&M.
472' FNL 748' FWL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

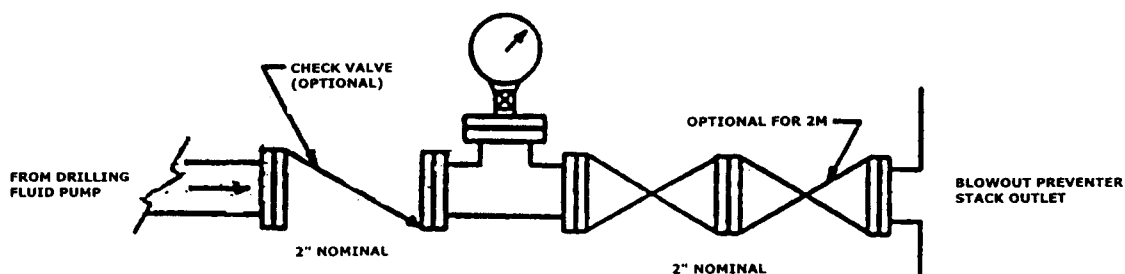
TOPOGRAPHIC
MAP

7 13 01
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: K.G. REVISED: 00-00-00

B
TOPO

KILL LINE – CHOKE LINE/MANIFOLD SCHEMATIC



THREADED CONNECTIONS OPTIONAL FOR 2M RATED WORKING PRESSURE SERVICE

FIGURE K5-1. Typical kill line assembly for 2M and 3M rated working pressure service - surface installation.

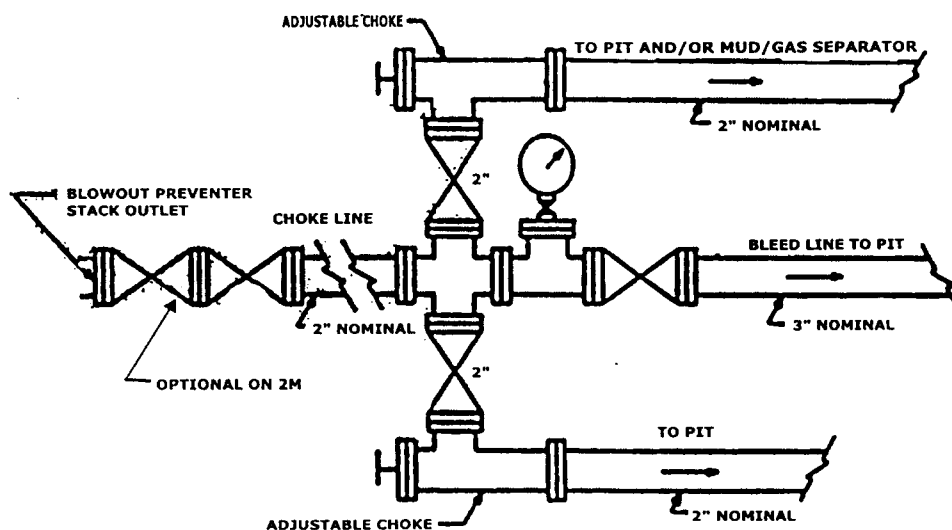
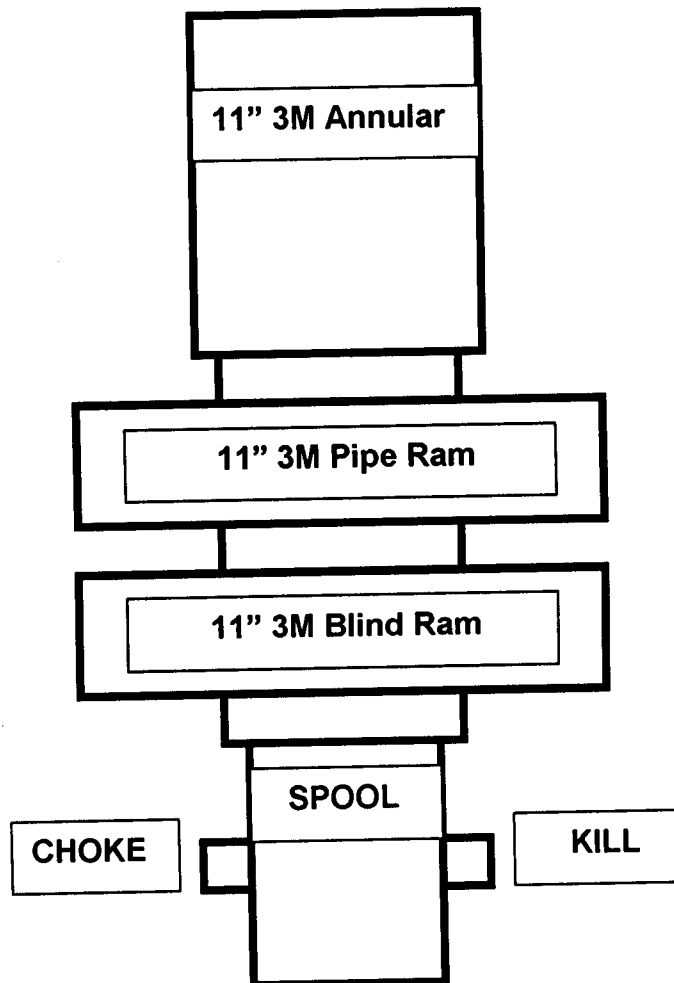


FIGURE K4-1. Typical choke manifold assembly for 2M and 3M rated working pressure service - surface installation.

BOPE SCHEMATIC

API 3M - 11 - SRRA



STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 5

DESIGNATION OF AGENT OR OPERATOR

The undersigned is, on record, the holder of oil and gas lease

LEASE NAME: George Frazier and Catherine Frazier

LEASE NUMBER: Fee

and hereby designates

NAME: Fat Chance Oil and Gas, LLC, an Oklahoma Limited Liability Company

ADDRESS: PO Box 7370

city Sheridan state WY zip 82801

as his (check one) agent ☐ / operator ☒, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the Division Director or Authorized Agent may serve written or oral instructions in securing compliance with the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah with respect to:

(Describe acreage to which this designation is applicable. Identify each oil and gas well by API number and name. Attach additional pages as needed.)

SEE ATTACHED

It is understood that this designation of agent/operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah. It is also understood that this designation of agent or operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated agent/operator, the lessee will make full and prompt compliance with all rules, lease terms or orders of the Board of Oil, Gas and Mining of the State of Utah or its authorized representative.

The lessee agrees to promptly notify the Division Director or Authorized Agent of any change in this designation.

Effective Date of Designation: 01/01/2001

BY: (Name) Harrison Schumacher
(Signature) [Signature]
(Title) Managing Member/Agent
(Phone) (800) 950-3519

OF: (Company) Quaneco, LLC
(Address) 850 Val Vista
city Sheridan
state WY zip 82801



LEASE DATA SHEET

GENERAL LEASE INFORMATION

Lease ID: 008.0043

Prospect: 008: Utah Overthrust

Lessor: George Frazier

Lessee: Billy Jim Palone

Lease Date:	03/17/2000	Expire Date:	03/17/2007	Lease Type:	Oil & Gas Lease
Effective Date:	03/17/2000			Lease Status:	Undeveloped
Acquisition Date:	03/17/2000	Cancel Date:	03/17/2007	Model Form:	Producer's 88 Paid Up

LEASE INFORMATION

Royalty:	12.500000	Gross Acres:	3,611.1800
Burdens:	0.000000	Net Acres:	3,611.1800
Lease NRI:	87.500000	Our Net Acres:	0.0000
Bonus:	0.00	Rights:	CONTR
Bonus/Acre:	0.00		

LEASE RECORDING

Book	Page	Registry	Date
P8	016	55910	6/22/2000
Rich, UT			

NO LEGAL TEXT FOUND ...

TRACT INFORMATION

Tract:	008.0043.01	Utah 108-UT	Status:	Rental	Accumulate:	Yes
Tract Royalty:	12.500000					
Tract Burdens:	0.000000					
Tract NRI:	87.500000					
Lessor MI:	100.000000					
Tract Rights:						
Map Reference Information						
Rich, UT	US	Township: 9-N Range: 7-E Section: 8 Lot: Qtr/Qtr: NWSE, S2NESE, NWNESE, and the following two tracts: *****SEE FULL LEGAL***** Too lengthy				
Rich, UT	US	Township: 9-N Range: 7-E Section: 17 Lot: Qtr/Qtr: N2N2NENE, W2NE, NW4, le and except the following tract: *****SEE FULL LEGAL***** too lengthy				
Rich, UT	US	Township: 9-N Range: 7-E Section: 18 Lot: Qtr/Qtr: S2NE, SE4 and the followin tract: *****SEE FULL LEGAL***** too lengthy				
Rich, UT	US	Township: 9-N Range: 7-E Section: 25 Lot: Qtr/Qtr: All				
Rich, UT	US	Township: 9-N Range: 8-E Section: 19 Lot: Qtr/Qtr: Lots 1(40.24), 2(40.08), 3(39.94), 4(39.18), E2W2, E2				
Rich, UT	US	Township: 9-N Range: 8-E Section: 29 Lot: Qtr/Qtr: All				
Rich, UT	US	Township: 9-N Range: 8-E Section: 28 Lot: Qtr/Qtr: Lots 1(14.49), 2(14.92), 3(15.35), 4(15.78), W2W2				
Rich, UT	US	Township: 9-N Range: 8-E Section: 30 Lot: Qtr/Qtr: Lots 1(39.72), 2(39.80), 3(39.88), 4(39.96), E2W2, E2				
Rich, UT	US	Township: 9-N Range: 8-E Section: 20 Lot: Qtr/Qtr: See Legal - lengthy				
Rich, UT	US	Township: 9-N Range: 8-E Section: 21 Lot: Qtr/Qtr: Lengthy - See Lease				

	Total:	Developed:	Undev:	Overlap:
Gross Acres:	3,611.1800	0.0000	3,611.1800	0.0000
Net Acres:	3,611.1800	0.0000	3,611.1800	
Cmpny Net Acres:	0.0000	0.0000	0.0000	

Tract Depth Details:

Begin Depth:	0	End Depth:	99999	Deck:	104
--------------	---	------------	-------	-------	-----

Depth Description:

OWNERSHIP

Owner	Addr#	Int	WI	NRI	Inactive:
Deck Desc: Utah 108-UT					No
Effective Date: 03/01/2000 Thru: 12/31/2078					



LEASE DATA SHEET

OWNERSHIP

Owner	Addr#	Int	WI	NRI	
00253	Quaneco II	00001	ORR1	0.00000000	0.02500000
00253	Quaneco II	00001	W1	1.00000000	0.85000000
00384	George O. Frazier	00001	ORR1	0.00000000	0.12500000
				1.00000000	1.00000000

NO LEASE PROVISIONS FOUND ...

LEASE OBLIGATIONS

Oblig ID#: 00001

Resp Party: 1

Quaneco, LLC

Oblig Type: DELAY

Desc: Delay Rental

Begin: 03/17/2003 End: 03/17/2007 Status: PAY Frequency: 1 Year(s)

Hold: No Amount: 72,223.60

Description:

Payment No: 1

Payee: 00384 George O. Frazier

Depository:

a/k/a George Frazier and Catherine M. Frazier,
husband and wife

1195 W. Monte Cristo Road

Woodruff, UT 84086

Tax ID #: 528-56-0072

Phone #:

Payment Amount: 72,223.60 1099 Handling: RENT

Service Charge: 0.00

Payment Details:

NO BILLING DATA ...

Lessor Full Name: George O. Frazier aka George Frazier, and Catherine M. Frazier

NO X-REFERENCES FOUND ...

No Instrument Data found

NO ASSIGNMENTS FOUND ...

OTHER DETAIL TEXT

LEGL

T9N, R7E, SLM, Rich County, Utah

Section 8: NWSE, S2NESE, NWNSE, and the following two tracts:

Tract 1: Commencing 40 rods South of the Northeast Corner of the Southeast Quarter of said Section 8, running thence North 100 feet, then West 660 feet, thence South 100 feet, thence East 660 feet to the place of beginning, containing 1.52 acres, more or less;

Tract 2: Commencing 360 feet South of the Northeast corner of the Southeast Quarter of said Section 8, running thence South 200 feet, the West 776 feet, thence North 200 feet, thence East 776 feet to the place of beginning, containing 3.56 acres, more or less;

LESS AND EXCEPT the following two tracts:

Excepted Tract 1: Commencing 40 rods West of the Northeast Corner of the Southeast Quarter of said Section 8, running thence South 560 feet, thence West 116 feet, thence North 560 feet, thence East 116 feet to the place of beginning, containing 3.51 acres, more or less;

Excepted Tract 2: Commencing 776 West of the Northeast Corner of the Southeast Quarter of said Section 8, running thence West 425 feet, thence South 360 feet, thence East 425 feet, thence North 360 feet to the place of beginning, containing 3.51 acres, more or less.;

Section 17: N2N2NENE, W2NE, NW4, LESS AND EXCEPT the following tract: Commencing at the Northwest Corner of said Section 17; running thence South 64.5 rods to the center line of the County Road; thence on the center line of said County Road, North 61 degrees 45 minutes East 1457 feet; thence North 89 degrees 15 minutes East 1092 feet; thence East 75 feet to a point which is 336 feet South of the Northeast corner of the Northwest Quarter of said Section 17; thence Easterly 160 rods, more or less, to a point 16 rods South from the Northeast corner of said Section 17; thence leaving said road and running North 16 rods to the Northeast corner of said Section 17; thence West 320 rods to the point of beginning. Said excepted tract containing 47.24 acres, more or less.

Section 18: S2NE, SE4, and the following tract: Commencing at the Southeast Corner of the Southwest Quarter of said Section 18, thence West 69 rods, thence North 240 rods, thence East 69 rods, thence South 240 rods, to the point of beginning, said tract containing 103.50 acres, more or less; LESS AND EXCEPT the following tract: Beginning at the Northeast Corner of said Section 18, thence South 35 degrees 31 minutes West 2542 feet; thence South 85 degrees 15 minutes West 100 feet to a true point of beginning, thence North 5 degrees 31 minutes West 100 feet; thence North 77 degrees 24 minutes West 175 feet; thence North 40 degrees 18 minutes West 198.5 feet to above said point beginning, said excepted tract containing 1.2 acres, more or less.

Section 25: ALL



LEASE DATA SHEET

T9N, R8E, SLM, Rich County, Utah

Section 19: Lots 1(40.24), 2(40.08), 3(39.94), 4(39.18), E2W2, E2

Section 20: Commencing at the Southeast Corner of said Section 20, thence West 5286.60 feet to the Southwest Corner of said Section 20, thence North 2756.3 feet, thence South 58 degrees 05minutes East 3388.4 feet, thence East 2404 feet, to East line of Section 20, thence S 966 feet to the point of beginning, containing 176.18 acres.

Section 21: Commencing at the Southwest corner of said Section 21, thence North 966 feet, thence East 1649.26 feet, thence North 20 deg 15 minutes East 386.37 feet, to the Wyoming State Line, thence South to the South line of Section 21, thence West to the point of beginning containing 40.52 acres.

Section 28: Lots 1(14.49), 2(14.92), 3(15.35), 4(15.78), W2W2

Section 29: ALL

Section 30: Lots 1(39.72), 2(39.80), 3(39.88), 4(39.96), E2W2, E2

NO CONTRACT RELATIONS ...

NO WELL COMPLETION DATA ...

UPDATED BY

Desk	Name
T3	T3
LORNA	03/21/2001

FAT CHANCE OIL AND GAS, LLC

July 16, 2001

CONFIDENTIAL

Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

RE: Confidentiality of information: Crawford 4-25

Attention:

Fat Chance Oil and Gas, LLC formally requests that submitted information on the Crawford 4-25 be held confidential.

Your cooperation is appreciated.

Sincerely,

Bill Courtney

Bill Courtney
Operations Assistant/Agent

TIGHT HOLE

RECEIVED

JUL 17 2001

DIVISION OF
OIL, GAS AND MINING

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 07/17/2001

API NO. ASSIGNED: 43-033-30065

WELL NAME: CRAWFORD 4-25

OPERATOR: FAT CHANCE OIL & GAS (N1395)

CONTACT: BILL COURTNEY

PHONE NUMBER: 307-673-1500

PROPOSED LOCATION:

NWNW 25 090N 070E

SURFACE: 0472 FNL 0748 FWL

BOTTOM: 0472 FNL 0748 FWL

RICH

WILDCAT (1)

LEASE TYPE: 4 - Fee

LEASE NUMBER: FEE

SURFACE OWNER: 4 - Fee

PROPOSED FORMATION: BRRVR

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	DRD	8/6/01
Geology		
Surface		

RECEIVED AND/OR REVIEWED:

☒ Plat

☒ Bond: Fed[] Ind[] Sta[] Fee[4]
(No. 885588C)

☒ Potash (Y/N)

☒ Oil Shale 190-5 (B) or 190-3 or 190-13

☒ Water Permit

(No. 01-57/5695)

☒ RDCC Review (Y/N)

(Date: Comments due 8-2-01)

☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

☒ R649-2-3. Unit

☒ R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

☒ R649-3-3. Exception

☐ Drilling Unit

Board Cause No:

Eff Date:

Siting:

☐ R649-3-11. Directional Drill

COMMENTS:

Need Presite. (7-18-01)

STIPULATIONS: ① Production casing shall be cemented 100' minimum above the top of the Frontier coals and furthermore 100' minimum above any producing formation encountered while drilling and 100' minimum above any BGS tested

② STATEMENT OF BASIS

③ RDCC comments



Utah Oil Gas and Mining

OPERATOR: FAT CHANCE O&G LLC (N1395)

SEC. 25, T9N, R7E

FIELD: WILDCAT (001)

COUNTY: RICH SPACING: R649-3-2/GEN ST

	T9N R7E		T9N R8E	
	23	24	19	
	26	⊙ CRAWFORD 4-25	30	
	35	36	31	

CONFIDENTIALSTATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL				5. LEASE DESIGNATION AND SERIAL NUMBER: Fee	
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>				6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>				7. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: Fat Chance Oil & Gas, LLC				8. WELL NAME and NUMBER: Crawford 4-25	
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801			PHONE NUMBER: (307) 673-1500	9. FIELD AND POOL, OR WILDCAT: Wildcat	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 472' FNL 748' FWL AT PROPOSED PRODUCING ZONE: same				10. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 25 T9N R7E S	
13. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 3 miles SE of Woodruff				11. COUNTY: Rich	12. STATE: UTAH
14. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 4000'		15. NUMBER OF ACRES IN LEASE: 3,611		16. NUMBER OF ACRES ASSIGNED TO THIS WELL: 160	
17. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 15840'		18. PROPOSED DEPTH: 4,000		19. BOND DESCRIPTION: Utah DOGM Surety #885588C	
20. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5983' GR		21. APPROXIMATE DATE WORK WILL START: 9/1/2001		22. ESTIMATED DURATION: 10 days	

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
12 1/4"	9 5/8" H-40 32.3#	500	Type III 225 sx 1.54 14#
8 3/4"	7" J-55 23#	3,700	50/50 Poz 250 sx 1.22 14.3#

RECEIVED

JUL 17 2001

24. ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

DIVISION OF
OIL, GAS AND MINING

- ☒
- WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
-
- ☒
- EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER

- ☒
- COMPLETE DRILLING PLAN
-
- ☒
- FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) Bill CourtneyTITLE Operations AssistantSIGNATURE Bill CourtneyDATE 7/16/2001

(This space for State use only)

API NUMBER ASSIGNED: _____

APPROVAL: _____

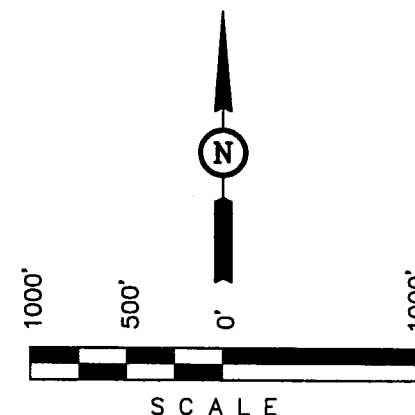
T9N, R7E, S.L.B.&M.

QUANECO, LLC.

Well location, CRAWFORD #4-25, located as shown in the NW 1/4 NW 1/4 of Section 25, T9N, R7E, S.L.B.&M. Rich County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT A ROAD INTERSECTION IN THE NW 1/4 OF SECTION 23, T9N, R7E, S.L.B.&M. TAKEN FROM THE WOODRUFF NARROWS QUADRANGLE, UTAH, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 6305 FEET.



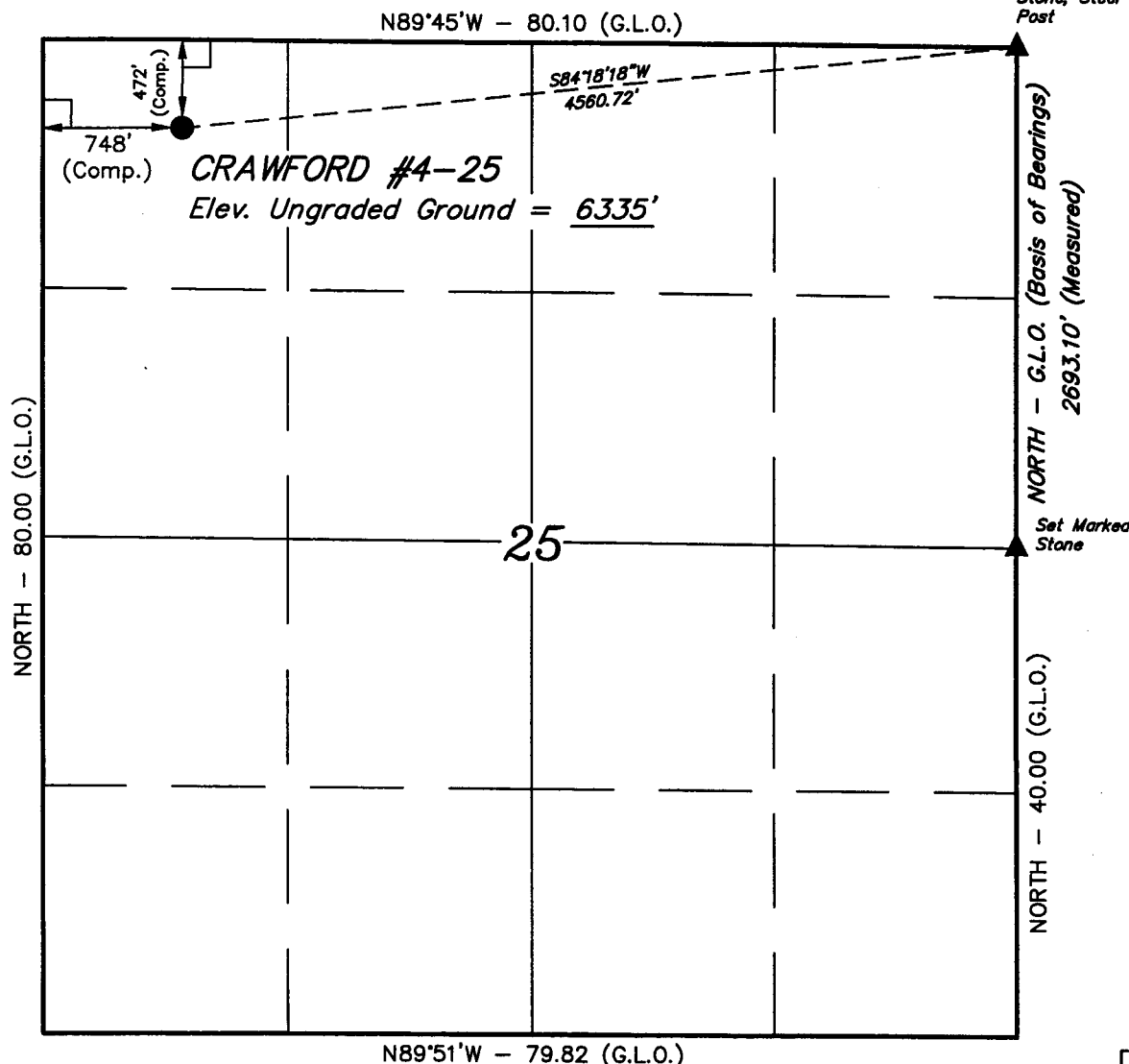
CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 7-12-01	DATE DRAWN: 7-13-01
PARTY J.F. P.J. C.G.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE QUANECO, LLC.	



LEGEND:

└─┘ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

LATITUDE = 41°29'39"
LONGITUDE = 111°06'25"

DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS

OPERATOR: Fat Chance Oil and Gas, LLC

WELL NAME & NUMBER: Crawford 4-25

API NUMBER: 43-033-30065

LEASE: Fee (George Frazier) **FIELD/UNIT:** Wildcat

LOCATION: 1/4,1/4 NW NW **Sec** 25 **TWP:** 9 N **RNG:** 7 E 472 **FNL** 748 **FWL**

LEGAL WELL SITING: 660' from the drilling unit boundary and 920' from other wells

GPS COORD (UTM): X = 491,018 E; Y = 4,593,419 N Garman GPS

SURFACE OWNER: George Frazier

Geology/Ground Water:

The surface formation is Quaternary alluvium and Colluvium, mostly of unconsolidated streambeds, fan deposits, locally mass movement deposits. It is expected that fresh water aquifers containing significant volumes of high quality ground water will be penetrated. A moderately permeable soil is developed on the Tertiary clays of the Wasatch formation. There are 3 active water rights within a mile of this location, which indicate good water is present within a mile of location at a shallow depth or at the surface. The proposed casing and cementing programs should adequately isolate any zones of fresh water that may be penetrated but the operator must extend the surface casing setting depth as needed to completely contain the USDW's encountered and place cement across all fresh water zones. If the well is plugged and abandoned any zone of fresh water will be protected with cement and cement will be circulated to ground level on the surface casing string. As this location is near an active spring and drainage, extra care will be taken to protect any ground or surface water sources.

Reviewer: K. Michael Hebertson

Date: 17-July-2001

Surface:

The surface belongs to George Frazier and persons representing George Frazier were invited to the on-site inspection. Those attending the onsite are noted above in the Participants section of the review document. Items of concern at this location are surface use agreement, and winter drilling restrictions not yet specified by the surface owner. The site is actively being used by several types of wildlife and signs of active use are everywhere on the ground. The surface owner does not currently have objection to the operation.

Reviewer: K. Michael Hebertson

Date: 17-July-2001

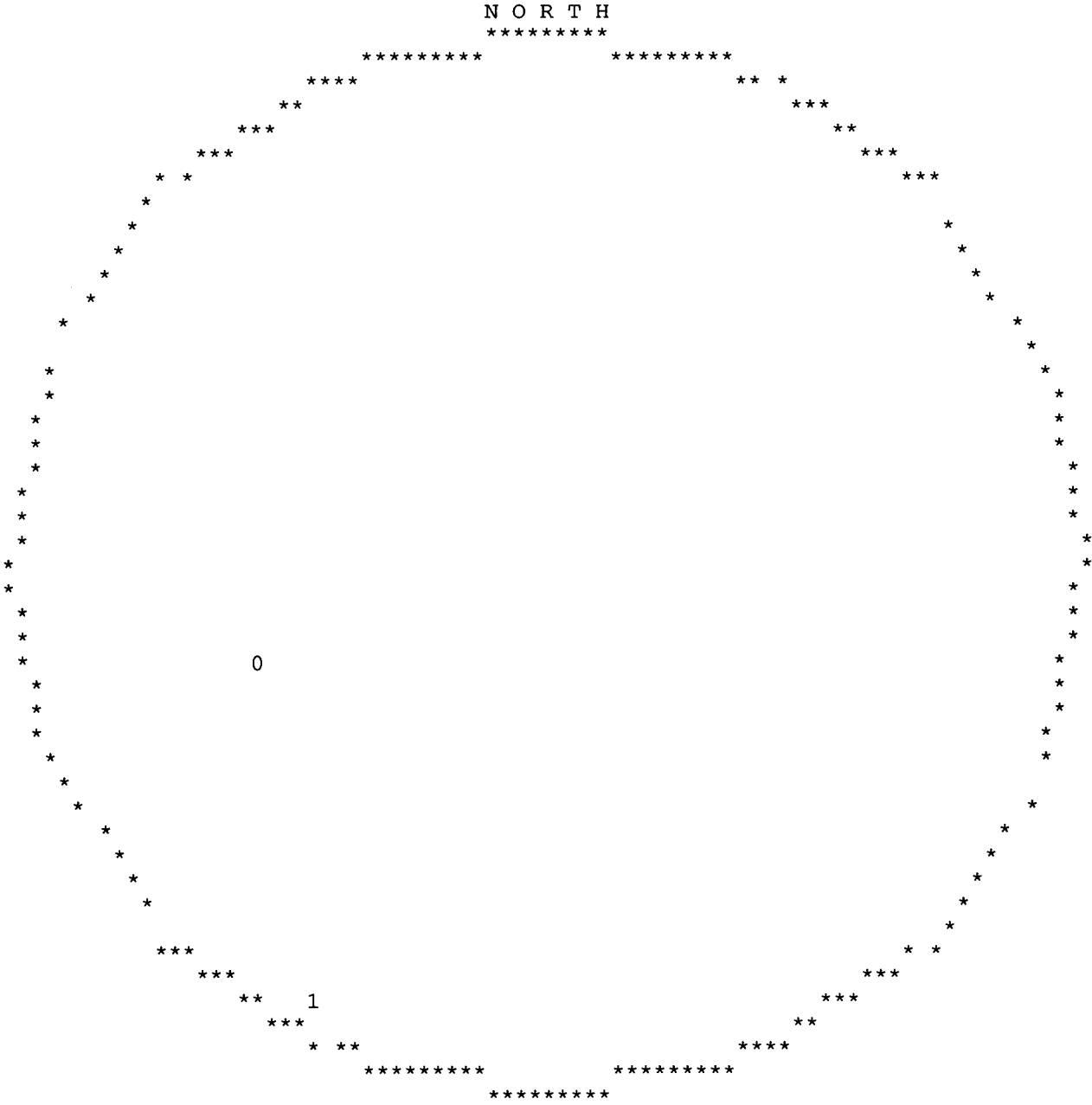
Conditions of Approval/Application for Permit to Drill:

1. A 12-mil minimum thickness synthetic pit liner is required.
2. Berms and diversions to protect the location and spoil piles and control erosion and pollution.
3. Surface casing will be set through all active water zones, cement will be circulated to surface
4. Site infrastructure placement as per drilling location plat.
5. The location will be bermed on the top outside edge and topsoil will be stored in wind rows not piles.
6. Berms or ditches will be placed on all cut and fill slopes to catch and contain any fluids escaping location.

UTAH DIVISION OF WATER RIGHTS
WATER RIGHT POINT OF DIVERSION PLOT CREATED TUE, JUL 17,
PLOT SHOWS LOCATION OF 3 POINTS OF DIVER

PLOT OF AN AREA WITH A RADIUS OF 5280 FEET FR
S 472 FEET, E 748 FEET OF THE NW CORNER,
SECTION 25 TOWNSHIP 9N RANGE 7E SL BASE AN

PLOT SCALE IS APPROXIMATELY 1 INCH = 2000 FEET



UTAH DIVISION OF WATER RIGHTS
NWPLAT POINT OF DIVERSION LOCATION PROGR

MAP CHAR	WATER RIGHT	CFS	QUANTITY AND/OR	AC-FT	SOURCE DESCRIPTION DIAMETER	or WELL INFO DEPTH	YEAR LOG	POINT NORTH	EA	
0	<u>23 3480</u>	.0000		8.40	6	150		S 1500	W	
			WATER USE(S): STOCKWATERING Ellis, Silas H. (Mrs.) Box 8							
1	<u>23 3636</u>	.0300		.00	4	150		<u>N</u> N 420	E	
			WATER USE(S): IRRIGATION DOMESTIC STOCKWATERING Deseret Land and Livestock Incorporated Box 250							
1	<u>a14876</u>	.0300		.00	4	50 - 150		<u>N</u> N 420	E	
			WATER USE(S): IRRIGATION DOMESTIC STOCKWATERING Deseret Land and Livestock Incorporated Box 250							

N-SITE PREDRILL EVALUATION

Division of Oil, Gas and Mining

OPERATOR: Fat Chance Oil and Gas, LLC

WELL NAME & NUMBER: Crawford 4-25

API NUMBER: 43-033-30065

LEASE: Fee (George Frazier) **FIELD/UNIT:** Wildcat

LOCATION: 1/4,1/4 NW NW **Sec** 25 **TWP:** 9 N **RNG:** 7 E 472 **FNL** 748 **FWL**

LEGAL WELL SITING: 660' from the drilling unit boundary and 920' from other wells

GPS COORD (UTM): X = 491,018 E; Y = 4,593,419 N Garman GPS

SURFACE OWNER: George Frazier

PARTICIPANTS

Mike Hebertson, (DOGM), Casey Osborn, Dennis Brabec (Fat Chance), Terry Pruitt, Jana Pruitt (Pruitt Construction), George Frazier (Surface Owner)

REGIONAL/LOCAL SETTING & TOPOGRAPHY

This area is located in the Overthrust Belt of eastern Utah and western Wyoming north of the Uinta Mountains, and in the eastern foothills of the Wasatch Mountains. The geologic setting is known as the Thrust Belt. US Highway 80 is about 10 miles to the south. Woodruff Utah is to the northwest about 3.5 miles and the Utah Wyoming State line is east 3 miles. State Road 16 from Evanston Wyoming to Woodruff is the main access to this location. The surface formation is Quaternary alluvium and Colluvium, mostly of unconsolidated streambeds, fan deposits, locally mass movement deposits.

SURFACE USE PLAN

CURRENT SURFACE USE: Grazing and wildlife habitat.

PROPOSED SURFACE DISTURBANCE: The operator proposes a 270' X 180' pad, outboard soil storage, and a 50' X 70' X 8' outboard attached pit, an existing road accesses the location is built along with an existing pad. About 200 feet of new road will be required.

LOCATION OF EXISTING WELLS WITHIN A 1-MILE RADIUS: There are no existing wells within 1 mile of this location.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: All production facilities for this well will remain on the location with exception of the pipelines and utilities for power. The pipeline and utility lines will be buried underground and follow the access road.

SOURCE OF CONSTRUCTION MATERIAL: Gravel location and approach road; soil stored in berm, the location will be made of natural material borrowed from leveling the pad during construction.

ANCILLARY FACILITIES: None

WASTE MANAGEMENT PLAN:

Portable chemical toilets which will be emptied into the municipal waste treatment system; garbage cans on location will be emptied into centralized dumpsters which will be moved to an approved landfill. No crude oil is expected to be produced. Drilling fluid, completion / frac fluid and cuttings will be buried in the pit after evaporation and salt saturated cuttings will be stabilized in place, then buried. Produced water will be gathered to the evaporation pit and eventually disposed of at an approved

disposal facility. Used oil from drilling operations and support will be hauled to a used oil re-cycling facility and re-used.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: This location uphill from Crane Reservoir about 1.2 miles and several developed water resources are within one mile. There is an active spring and a stock watering pond within ¼ mile. All precautions will be taken to insure the integrity of these resources.

FLORA/FAUNA: Open sagebrush, and grass meadows, cactus, birds, lizards, coyotes, rodents, raptors, occasional elk, deer, pronghorn and sage grouse. Critical winter range.

SOIL TYPE AND CHARACTERISTICS: Mostly clay with very little sand, light gray to dark brown in color. Some pit run type gravel. SM to SP type soils.

SURFACE FORMATION & CHARACTERISTICS: Wasatch Formation Clay with numerous rocks light gray to medium brown in color. Minor sand, and topsoil. Moderate to Poor Permeability.

EROSION/SEDIMENTATION/STABILITY: Stable. Wasatch type soils are generally susceptible to slumping when slopes are wet and become saturated. The slope of the ground in this location will not be sufficient for the unstable conditions to occur. Erosion and sedimentation at this location will not be an issue.

PALEONTOLOGICAL POTENTIAL: None observed.

RESERVE PIT

CHARACTERISTICS: Dugout, earthen pit, as above.

LINER REQUIREMENTS (Site Ranking Form attached): Synthetic liner is required.

SURFACE RESTORATION/RECLAMATION PLAN

A surface use agreement will be negotiated.

SURFACE AGREEMENT: A surface use agreement will be negotiated.

CULTURAL RESOURCES/ARCHAEOLOGY: Archaeological survey is not required.

OTHER OBSERVATIONS/COMMENTS:

The surface owner was invited and attended the pre-site. His concerns about the well is that he didn't want the well on his property to start with and that the location would be in an area where he didn't want anything disturbed. He was also vocal about when he wanted the intermediate reclamation done and what should be planted.

ATTACHMENTS:

Photographs were not taken.

K. Michael Hebertson
DOGM REPRESENTATIVE

18-July-2001 AM
DATE/TIME

**Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>5</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>5</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>10</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Based Mud	15	
Fluid containing significant levels of hazardous constituents	20	<u>10</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>5</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>
Final Score	<u>35</u>	(Level I Sensitivity)

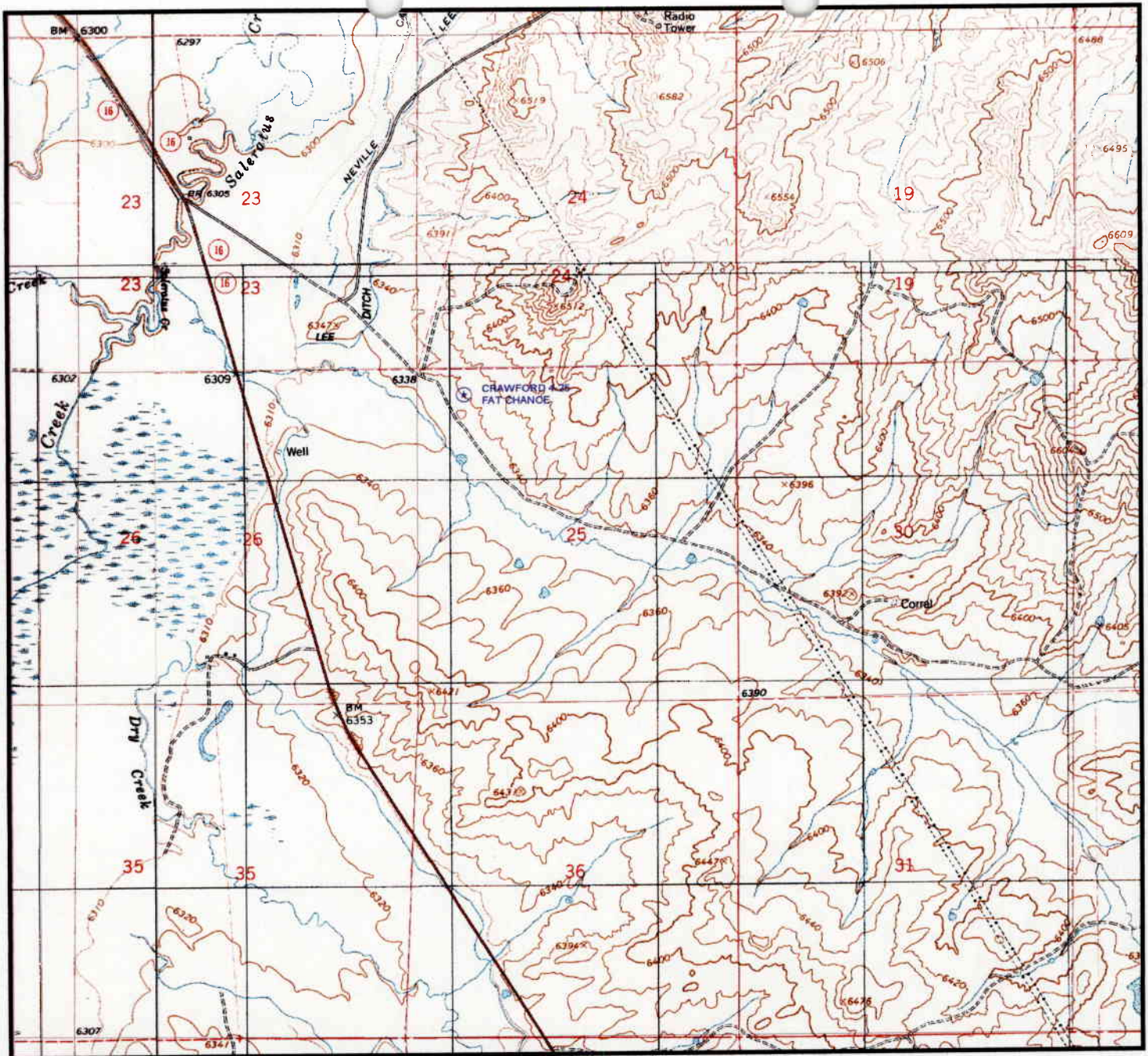
Sensitivity Level I = 20 or more; total containment is required.

Sensitivity Level II = 15-19; lining is discretionary.

Sensitivity Level III = below 15; no specific lining is required.

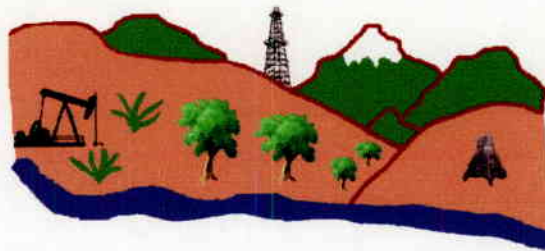


FAT CHANCE, CRAWFORD 4-25, SEC. 25, T9N, R7E, RICH COUNTY, API 43-033-30065



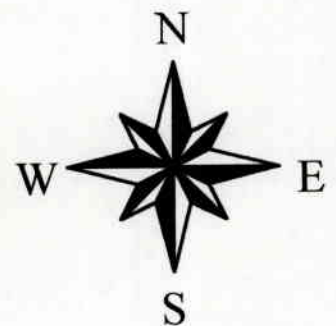
Well Status

- GAS INJECTION
- ◊ GAS STORAGE
- × LOCATION ABANDONED
- ⊙ NEW LOCATION
- ◇ PLUGGED & ABANDONED
- ★ PRODUCING GAS
- PRODUCING OIL
- ✦ SHUT-IN GAS
- ✦ SHUT-IN OIL
- × TEMP. ABANDONED
- ◊ TEST WELL
- △ WATER INJECTION
- ◆ WATER SUPPLY
- ⊙ WATER DISPOSAL
- Sections
- ▭ Township



Utah Oil Gas and Mining

The Division of Oil, Gas & Mining does not warrant or guarantee the accuracy of any data or information contained herein, and is not responsible for the accuracy of data not under its immediate control. The customer has requested data to be projected where there is no official survey, it is not be used as reliable data.



Prepared By: K. M. Hebertson



State Engineer's Office

HERSCHLER BUILDING, 4-E CHEYENNE, WYOMING 82002
(307) 777-7354 FAX (307) 777-5451
seoleg@state.wy.us

JIM GERINGER
GOVERNOR

PATRICK T. TYRRELL
STATE ENGINEER

July 18, 2001

Quaneco LLC
PO Box 7370
Sheridan, WY 82801

RE: Temporary Water Agreement Order Number 01-57 *AMENDED*
Sulphur Creek Reservoir, Permit No. 5695R

Dear Sir:

Enclosed are copies of the *Amended* Order and map for your use of water from this source. Copies of these documents will be sent to the Merrill J. Martin. Copies of the Order and map will also be sent to Jade Henderson, Superintendent of Water Division No. IV, and Kevin Wilde, Lead Hydrographer-Commissioner of Water District No. 4.

You must notify Mr. Wilde (279-3441) prior to using water from this source. Please refer to the Order Number referenced above when notifying Mr. Wilde. Also, please notify this office when the project has been completed and no more water is being used.

In addition, you are hereby reminded that the granting of a Water Agreement by the State Engineer does not constitute the granting of a right-of-way. Proper rights-of-way for access to point of diversion, haul route and point(s) of use must be obtained by the permittee. In the case where rights-of-way of public roads or highways are involved, it is necessary that proper right of access be obtained from the controlling authority. Approval of the Wyoming Department of Transportation is required for use of highway rights-of-way. The loading of water trucks from bridges will generally be prohibited.

With best regards,

A handwritten signature in black ink, appearing to read "John R. Barnes".

JOHN R. BARNES
Administrator, Surface Water and
Engineering Division

JRB/lrs

Enclosures

cc: Merrill J. Martin
918 Riverdale
County Road 101
Evanston, WY 82930

Jade Henderson, Superintendent Water Division IV
PO Box 277
Cokeville, WY 83114

Kevin Wilde, Lead Hydrographer Commissioner
PO Box 277
Cokeville, WY 83114

Surface Water
(307) 777-6475

Ground Water
(307) 777-6163

Board of Control
(307) 777-6178

ORDER NO. 00-57 AMENDED

Quaneco, LLC having filed a Water Agreement for Temporary Use of Water for the use of stored water from the Sulphur Creek Reservoir located in SW $\frac{1}{4}$ SW $\frac{1}{4}$, Section 27, T14N, R119W, diverting from Sulphur Creek, tributary of Bear River, Permit No. 5695R;

and the State Engineer finds as follows:

That said Quaneco, LLC wishes to use this water for drilling of two coal bed methane (CBM) wells and AMENDED to include a third well located in Section 25, T9N, R7E, named Crawford 4-25, Rich County, Utah as outlined on the attached map marked "Exhibit B."

That, in connection with said work, it is necessary that Quaneco, LLC have considerable water available to it;

That the most practicable source of said water is from Sulphur Creek Reservoir located in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 27, T14N, R119W, Permit No. 5695R. The appropriation is for 4104.13 acre-feet for irrigation purposes. The rights are held by the Sulphur Creek Reservoir Company. The priority date is February 14, 1950.

That said water is to be diverted at a point in the NW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 32, T17N, R120W, 6th PM from the Bear River.

That Quaneco, LLC and Merrill J. Martin have made and entered into a certain agreement, dated September 5, 2000 relating to the use and purchase of said water in the amount of approximately 1,680,000 gallons to be diverted at a rate not to exceed 250 gallons per minute or 10,000 gallons per day maximum as the agreement is marked "Exhibit A," attached hereto, and by reference made a part thereof, and a sketch map showing the proposed point of diversion and point of use is marked "Exhibit B," attached hereto, and by this reference made a part thereof:

That said Water Agreement should be granted and said agreement ratified and approved.

The right to refill this reservoir by the amount of depletion prior to September 30, 2000, cannot be exercised until after October 1, 2001.

Any remaining water depleted under this temporary use after September 30, 2001, cannot be refilled until after October 1, 2002.


The water will be taken from the point of diversion located in the NW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 32, T17N, R120W, 6th PM. Water will be

pumped into tank trucks and hauled along existing roads for drilling two CBM wells located in the NE¼, Section 32, R8N, T8E, Salt Lake Meridian and AMENDED to include a third well located in Section 25, T9N, R7E, named Crawford 4-25, Rich County, Utah. See the attached map marked "Exhibit B."

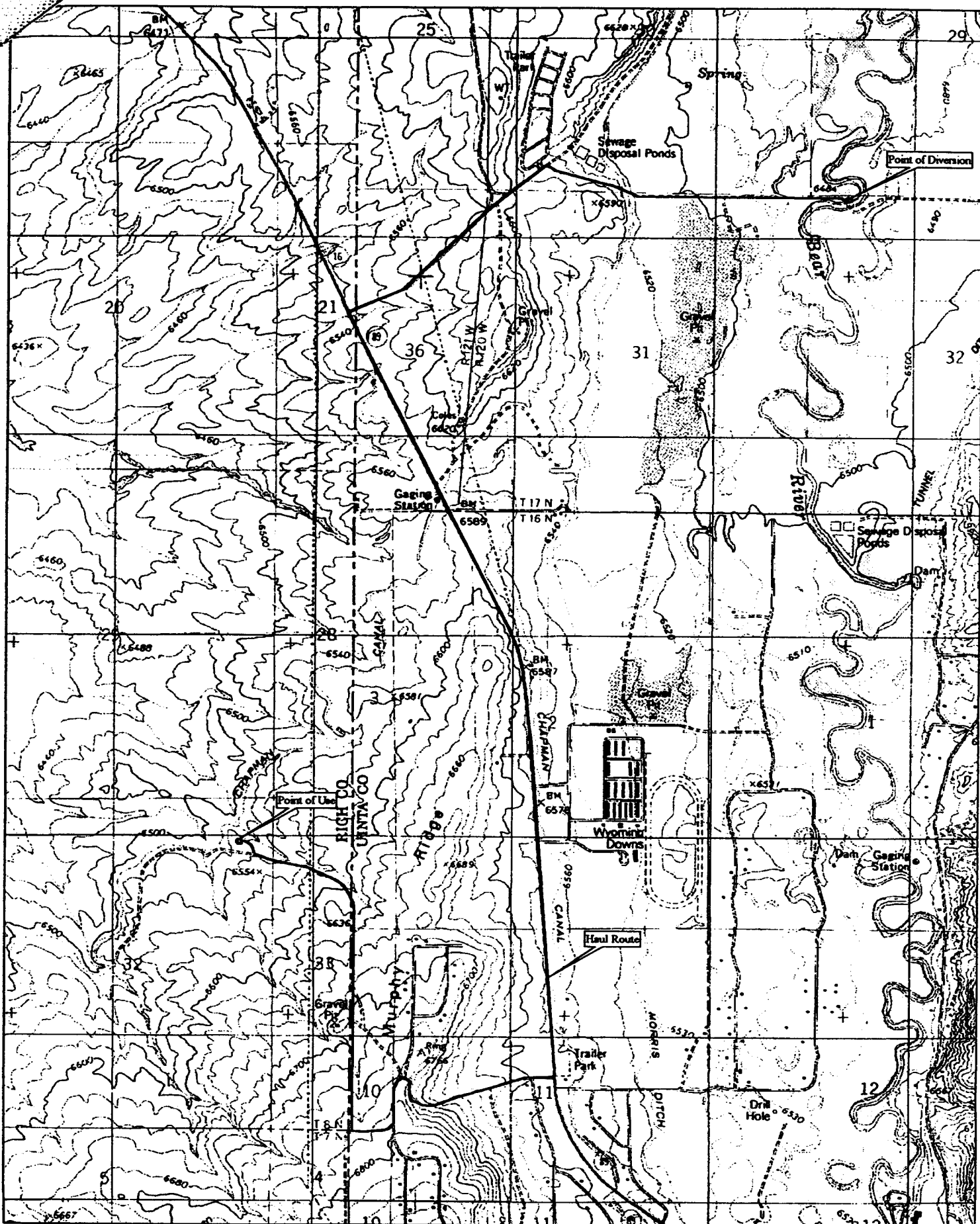
Quaneco, LLC is to inform the Water Commissioner of the date they wish to begin diverting water, and this diversion of water will be done at all times under the supervision of the Water Commissioner.

The maximum rate of diversion will be 250 gallons per minute or 10,000 gallons per day maximum. The total amount of water used under this agreement must not exceed 1,680,000 gallons.


IT IS, THEREFORE, ORDERED that said agreement be, and the same is hereby ratified and approved, and that Quaneco, LLC is authorized to purchase and use said water, as provided for in said agreement, until October 5, 2002, or until said drilling is complete, whichever comes first, at which time said water shall revert to their former use, all as provided by Wyoming Statute 41-3-110.


For STATE ENGINEER

July 18, 2001
Order Number 00-57 **AMENDED**



STATE ACTIONS
State Clearinghouse Coordinator
116 State Capitol, SLC, UT 84114
538-1535

1. Administering State Agency Oil, Gas and Mining 1594 West North Temple, Suite 1210 Salt Lake City, UT 84114-5801	2. State Application Identifier Number: (assigned by State Clearinghouse) 3. Approximate date project will start: Upon Approval
4. Areawide clearinghouse(s) receiving state action: (to be sent out by agency in block 1) Bear River Association of Governments	
5. Type of action: // Lease /X/ Permit // License // Land Acquisition // Land Sale // Land Exchange // Other _____	
6. Title of proposed action: Application for Permit to Drill	
7. Description: Fat Chance Oil & Gas, LLC proposes to drill the Crawford 4-25 well (wildcat) on a Fee lease, Rich County, Utah. This action is being presented to the RDCC for consideration of resource issues affecting state interests. The Division of Oil, Gas and Mining is the primary administrative agency in this action and must issue approval before operations commence.	
8. Land affected (site location map required) (indicate county) NW/4, NW/4, Section 25, Township 9 North, Range 7 East, Rich County, Utah	
9. Has the local government(s) been contacted? No	
10. Possible significant impacts likely to occur: Degree of impact is based on the discovery of oil or gas in commercial quantities.	
11. Name and phone of district representative from your agency near project site, if applicable: 	
12. For further information, contact: Lisha Cordova Phone: (801) 538-5296	13. Signature and title of authorized officer  for John R. Baza, Associate Director Date: July 18, 2001

QUANECO LLC

P.O. Box 7370
Sheridan, Wyoming 82801
307 673-1500

July 23, 2001

Lisha Cordova
Utah Division of Oil, Gas and Mining
1594 West Temple, Suite 1210
Salt Lake City, Utah 84114-5801

Dear Lisha

I have included copies of changes from the Wyoming State Engineer's office for water to use drilling the Crawford 4-25, copies of the information Dennis Wright sent the Utah Division of Water for drilling the Coalville 9-3, and 12-3 and subsequently billed us for, and copies of a change in the plat for the Coalville 9-3 which Uintah Engineering sent us. Their plat reflects a change in the longitude description from 111*21'35' to 111*21'41'.

Sincerely,



Bill Courtney

From: Frances Bernards
To: Lisha Cordova
Date: 7/30/01 4:38PM
Subject: comments on RDCC items

The following comment applies to Wildcat wells: 35-12, Leland Bench; OA3#01, SU21#01, Stacey Hollow 12-11, Coalville 12-2, Coalville 9-3, and **Crawford 4-25**. The proposed well drilling projects may require a permit, known as an Approval Order, from the Utah Division of Air Quality if any compressor stations are operating at the site. A permit application, known as a Notice of Intent (NOI) should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, SLC, UT, 84116 for review according to the Utah Air Conservation Rule R307-400, Permits, Notice of Intent and Approval Order.

MEMORANDUM OF SURFACE OWNERS AGREEMENT

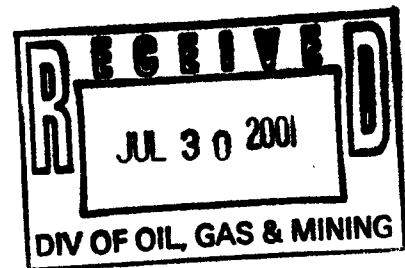
George O. Frazier, a/k/a George Frazier, and Catherine M. Frazier, husband and wife, and Quaneco, LLC, an Oklahoma Limited Liability Company, entered into a Surface Owners Agreement on July 26, 2001 covering the damages for locations, access roads and other items relating to oil and gas development on the lands described within Exhibit "A" attached hereto and made a part hereof.

Any party having a legitimate interest in the particulars contained within said Surface Owners Agreement may contact either of the following parties to arrange an inspection and review of said document:

George O. Frazier, a/k/a George Frazier, and Catherine M. Frazier
1195 Monte Cristo Road
Woodruff, Utah 84086

or

Quaneco, LLC
P. O. Box 7370
Sheridan, Wyoming 82801



This memorandum is executed and given to evidence the existence of a valid Surface Owners Agreement by and between the parties hereto.

Dated this 26th day of July, 2001.

Billy Jim Palone, as Agent for Quaneco, LLC

George O. Frazier, a/k/a George Frazier

Billy Jim Palone, agent for Fat Chance
Oil and Gas, LLC

Catherine M. Frazier

Exhibit "A"

Part of Section 18, Township 9 North, Range 7 East of the Salt Lake Base and Meridian, described as follows:

The Southeast quarter; the South half of the Northeast quarter; Commencing 89 rods East from the Northwest corner of Lot 3, said Section 18, and running thence South 160 rods, more or less to the South line of said Section; thence East 69 rods, more or less to the Southeast corner of the Southwest quarter of said Section; thence North 160 rods to the Northeast corner of the Southwest quarter of said Section; thence West 69 rods, more or less to beginning.

Also, beginning at a point 91 rods; East of the Northwest corner of Lot 3, said Section 18, and running thence North 80 rods, more or less to the North line of the Southeast quarter of the Northwest quarter of said Section 18; thence East to the East line of the Northwest quarter of Section 18; thence South 80 rods; thence West to beginning.

EXCEPTING THEREFROM: Beginning at a point South $35^{\circ} 31'$ West 2452 feet, thence South $85^{\circ} 15'$ West 100 feet of the Northeast corner of said Section 18; THENCE North $6^{\circ} 31'$ West 100 feet; thence North $77^{\circ} 28'$ East 175 feet; thence South $40^{\circ} 42'$ East 300 feet; thence South $77^{\circ} 24'$ West 175 feet; thence North $40^{\circ} 18'$ West 198.5 feet to beginning.

Part of Section 17, Township 9 North, Range 7 East of the Salt Lake Meridian, described as follows:

Beginning at the West quarter corner of said Section 17, and running thence North $4^{\circ} 33'$ West 1595 feet along the West line of said Section 17 to the center line of the County Road; thence North $61^{\circ} 49'$ East 1590 feet; thence North $89^{\circ} 45'$ East 516.5 feet; thence Southerly in a direct line to a point 1950.5 feet East from the point of beginning; thence West to the point of beginning.

Also, beginning at the center of said Section 17, and running thence North $33\frac{1}{2}$ chains to the County Road; thence West 12 chains; thence Southerly to a point $10\frac{1}{2}$ chains West of the point of beginning; thence East to beginning.

Beginning at the Northeast Corner of Section 18, Township 9 North, Range 7 East of the Salt Lake Base and Meridian, thence South $35^{\circ} 31'$ West 2542 feet; thence South $85^{\circ} 15'$ West 100 feet to a true point of beginning; thence North $5^{\circ} 31'$ West 100 feet; thence North $77^{\circ} 28'$ East 175 feet; thence South $40^{\circ} 42'$ East 300 feet; thence South $77^{\circ} 24'$ West 175 feet; thence North $40^{\circ} 18'$ West 198.5 feet to above said point of beginning.

Exhibit "A"

PARCEL 10: Commencing at the NE Cor of Sec. 24, T9N, R7E SLM. and running thence West 3750 ft, th S. $15^{\circ}33'$ W 5709 ft to SW Cor of said Sec. 24, th E 320 rods, th N 320 rods to pl of beg.

PARCEL 11: All of Section 25, T9N, R7E. S.L.M.

PARCEL 12: All of Section 19, T9N, R8E. S. L. M.

PARCEL 13: Comm at SE Cor of Sec. 20, T9N, R8E. SLM, th W 5286.60 ft, to SW Cor of said Sec. 20, th N 2756.3 ft, th S $58^{\circ}05'$ E 3388.4 ft, th E 2204 ft to East line of said Sec. 20, th S 966 ft to beg.

PARCEL 14: Comm at the SW Cor of Sec. 21, th N 966 ft. th E 1649.26 ft, th N $20^{\circ}15'$ E. 386.37 ft to Wyoming State line, th S to South line of Sec. 21, W to beg. In T9N, R8E.

PARCEL 15: All of Section 28, T9N, R8E. S. L. M.

PARCEL 16: All of Section 29, T9N, R8E, S. L. M.

PARCEL 17: All of Section 30, T9N, R8E, S. L. M.

Twp. 9 N., R. 7 E., S.L.M., Rich County, Utah

Sec. 7: $S\frac{1}{2}SE\frac{1}{4}$ (27 A.)

Sec. 8: $S\frac{1}{2}$, less 10 acres in the NE corner of $NE\frac{1}{4}SE\frac{1}{4}$, Woodruff Cemetery. (103 A.)

Sec.17: Commencing at a point 330 ft. S., and 173 ft. E., of the N. quarter corner of Sec. 17, aforesaid, thence E. 1297 ft., thence S. 2341 ft., thence W. 1297 ft.; thence N. 2341 ft., to point of beginning. (23 A.)

Commencing at the NW corner of Sec. 17, aforesaid, thence go S. $64\frac{1}{2}$ rds; thence N. $61^{\circ}45'$ E., 1457 ft.; then $N. 89^{\circ}15'$ E., 1092 ft.; thence E. 75 ft., thence Easterly to a point 16 rds. S. from the NE corner of said Sec. 17; thence N. 16 rds.; thence W. 320 rds. to point of beginning (17 A.)

Sec.18: $N\frac{1}{2}NE\frac{1}{4}$ (27 A.)

Well name:

07-01 Fat Chance Crawford 4-25Operator: **Fat Chance Oil**String type: **Surface**

Project ID:

43-033-30065Location: **Rich Co.****Design parameters:****Collapse**Mud weight: 9.000 ppg
Design is based on evacuated pipe.**Minimum design factors:****Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 72 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 200 ft

Cement top: 0 ft

BurstMax anticipated surface pressure: 0 psi
Internal gradient: 0.494 psi/ft
Calculated BHP 247 psi

No backup mud specified.

Tension:8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on air weight.

Neutral point: 434 ft

Non-directional string.

Re subsequent strings:Next setting depth: 3,700 ft
Next mud weight: 9.500 ppg
Next setting BHP: 1,826 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 500 ft
Injection pressure 500 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	500	9.625	32.30	H-40	ST&C	500	500	8.876	31.7
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	234	1370	5.86	247	2270	9.20	16	254	15.73 J

Prepared by: Dustin Doucet
Utah Dept. of Natural ResourcesDate: August 2, 2001
Salt Lake City, UtahENGINEERING STIPULATIONS: ~~NONE~~ See worksheet

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Collapse is based on a vertical depth of 500 ft, a mud weight of 9 ppg. The casing is considered to be evacuated for collapse purposes.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:

07-01 Fat Chance Crawford 4-25Operator: **Fat Chance Oil**String type: **Production**

Project ID:

43-033-30065

Location: **Rich Co.****Design parameters:****Collapse**Mud weight: 9.500 ppg
Design is based on evacuated pipe.**Minimum design factors:****Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 117 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 368 ft

Cement top:

2,418 ft

*See Step***Burst**Max anticipated surface pressure: 0 psi
Internal gradient: 0.494 psi/ft
Calculated BHP 1,826 psi

No backup mud specified.

Tension:8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Non-directional string.

Tension is based on air weight.

Neutral point: 3,171 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	3700	7	23.00	J-55	ST&C	3700	3700	6.25	171
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1826	3270	1.79	1826	4360	2.39	85	284	3.34 J

Prepared Dustin Doucet
by: Utah Dept. of Natural ResourcesDate: August 2, 2001
Salt Lake City, UtahENGINEERING STIPULATIONS: ~~NONE~~ *see worksheet*

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Collapse is based on a vertical depth of 3700 ft, a mud weight of 9.5 ppg. The casing is considered to be evacuated for collapse purposes.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

07-01 Fat Chance Crawford 25

Casing Schematic

Surface

Washita

TOC @
0.

21 g without

9-5/8"
MW 9.
Frac 19.3

600'

Evansville
Adenville

Surface
500. MD

BOP

BHP

$$(0.052)(4000)(9.5) = 1976 \text{ psi}$$

$$\text{Anticipated} = 1950 \text{ psi}$$

$$\frac{6.5}{(0.12)(4000)} = 480$$

$$\text{MASP} = \underline{1496 \text{ psi}}$$

3m SRRA BOP

Adequate
DRO 8/6/01

1500'

Frontier

1343' 450 SX

TOC @
2418.

10 g without

3000'

Aspen

3200

Bear River

7"
MW 9.5

Production
3700. MD



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

August 6, 2001

Fat Chance Oil & Gas, LLC
PO Box 7370
Sheridan, WY 82801


Re: Crawford 4-25 Well, 472' FNL, 748' FWL, NW NW, Sec. 25, T. 9 North, R. 7 East,
Rich County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-033-30065.

Sincerely,



John R. Baza
Associate Director

er

Enclosures

cc: Rich County Assessor

Operator: Fat Chance Oil & Gas, LLC
Well Name & Number Crawford 4-25
API Number: 43-033-30065
Lease: FEE
Location: NW NW Sec. 25 T. 9 North R. 7 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)
5. Operator shall comply with applicable recommendations resulting from Resource Development Coordinating Committee review. Statements attached.
6. Production casing shall be cemented 100' minimum above to the top of the Frontier Coals and furthermore 100' minimum above any producing formation encountered while drilling and 100' minimum above any zones tested.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS			5. LEASE DESIGNATION AND SERIAL NUMBER: Fee	
			6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.			7. UNIT or CA AGREEMENT NAME:	
			8. WELL NAME and NUMBER: Crawford 4-25	
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____			9. API NUMBER: 4303330065	
2. NAME OF OPERATOR: Fat Chance Oil & Gas, LLC			10. FIELD AND POOL, OR WILDCAT: Wildcat	
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		PHONE NUMBER: (307) 673-1500		
4. LOCATION OF WELL				
FOOTAGES AT SURFACE: 472' FNL 748' FWL			COUNTY: Rich	
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 25 T9N R7E S			STATE: UTAH	

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: _____

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Lease signs erected in order to comply with regulations.

RECEIVED

JUN 17 2002

DIVISION OF
OIL, GAS AND MINING

NAME (PLEASE PRINT) <u>Bill Courtney</u>	TITLE <u>Operations Assistant</u>
SIGNATURE <u>Bill Courtney</u>	DATE <u>6/13/2002</u>

(This space for State use only)

CONFIDENTIAL FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, re-enter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		6. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Fat Chance Oil & Gas, LLC		8. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: (307) 673-1500		9. WELL NAME and NUMBER: Crawford 4-25
4. LOCATION OF WELL FOOTAGES AT SURFACE: 472' FNL 748' FWL		10. API NUMBER: 4303330085
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 25 T9N R7E S		10. FIELD AND POOL, OR WILDCAT: Wildcat

COUNTY: **Rich**STATE: **UTAH****11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Request for extension
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

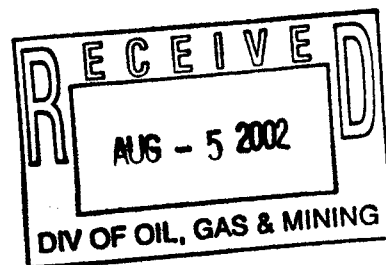
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Operator requests a one year extension of APD

Approved by the
 Utah Division of
 Oil, Gas and Mining

Date: 08-07-02
 By: [Signature]

COPIES SENT TO OPERATOR
 ON 8-8-02
 BY: LHD

NAME (PLEASE PRINT) **Lorna James**TITLE **Administrative Assistant**SIGNATURE Lorna JamesDATE **8/5/2002**

(This space for State use only)

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 4303330065
Well Name: Crawford 4-25
Location: NWNW, Sect. 25, T9N, R7E, Rich County, Utah
Company Permit Issued to: Quinco, LLC
Date Original Permit Issued: 8/6/2001

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

Lorna James
Signature

8/6/2003
Date

Title: Administrative Assistant

Representing: Quinco, LLC

RECEIVED
AUG 12 2003
DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:

Fee

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:

Crawford 4-25

9. API NUMBER:

4303330065

10. FIELD AND POOL, OR WILDCAT:

Wildcat

1. TYPE OF WELL

OIL WELL ☐

GAS WELL ☒

OTHER

2. NAME OF OPERATOR:

Fat Chance Oil & Gas, LLC

3. ADDRESS OF OPERATOR:

PO Box 7370

CITY Sheridan

STATE WY

ZIP 82801

PHONE NUMBER:

(307) 673-1500

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 472' FNL 748' FWL

COUNTY: Rich

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 25 T9N R7E S

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☐ NOTICE OF INTENT
(Submit in Duplicate)

Approximate date work will start:

☐ SUBSEQUENT REPORT
(Submit Original Form Only)

Date of work completion:

☐ ACIDIZE

☐ ALTER CASING

☐ CASING REPAIR

☐ CHANGE TO PREVIOUS PLANS

☐ CHANGE TUBING

☐ CHANGE WELL NAME

☐ CHANGE WELL STATUS

☐ COMMINGLE PRODUCING FORMATIONS

☐ CONVERT WELL TYPE

☐ DEEPEN

☐ FRACTURE TREAT

☐ NEW CONSTRUCTION

☒ OPERATOR CHANGE

☐ PLUG AND ABANDON

☐ PLUG BACK

☐ PRODUCTION (START/RESUME)

☐ RECLAMATION OF WELL SITE

☐ RECOMPLETE - DIFFERENT FORMATION

☐ REPERFORATE CURRENT FORMATION

☐ SIDETRACK TO REPAIR WELL

☐ TEMPORARILY ABANDON

☐ TUBING REPAIR

☐ VENT OR FLARE

☐ WATER DISPOSAL

☐ WATER SHUT-OFF

☐ OTHER:


12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Please change the Operator to:

Quaneco, LLC
PO Box 7370
Sheridan WY 82801

Effective: July 19, 2003
Bond# 885588C

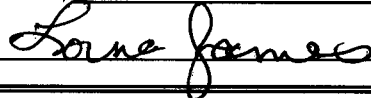

Fat Chance Oil & Gas, LLC
Casey Osborn


Quaneco, LLC
Casey Osborn

NAME (PLEASE PRINT) Lorna James

TITLE Adminstrative Assistant

SIGNATURE



DATE

8/13/2003

(This space for State use only)

RECEIVED

AUG 25 2003

DIV. OF OIL, GAS & MINING

OPERATOR CHANGE WORKSHEET

ROUTING

1. GLH

2. CDW

3. FILE

Change of Operator (Well Sold)

Designation of Agent/Operator

X Operator Name Change

Merger

The operator of the well(s) listed below has changed, effective:

7/19/2003

FROM: (Old Operator):

N1395 - Fat Chance Oil & Gas, LLC

PO Box 7370

Sheridan, WY 82801

Phone: 1-(307) 673-1500

TO: (New Operator):

N2495 - Quaneco, LLC

PO Box 7370

Sheridan, WY 82801

Phone: 1-(307) 673-1500

CA No.

Unit:

WELL(S)

NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS	
COALVILLE 9-3	03	020N	050E	4304330322		Fee	GW	APD	C
COALVILLE 12-3	03	020N	050E	4304330323		Fee	GW	APD	C
SUTTONS 4-12	12	060N	070E	4303330058	13286	Fee	GW	S	C
CRANE 4-4	04	060N	080E	4303330049	13056	Fee	GW	S	C
CRANE 12-4	04	060N	080E	4303330050	13057	Fee	GW	S	C
CRANE 13-6	06	060N	080E	4303330054		Fee	GW	APD	C
CRANE 6-7	07	060N	080E	4303330053		Fee	GW	APD	C
CRANE 13-8	08	060N	080E	4303330052	13093	Fee	GW	S	C
CRANE 13-18	18	060N	080E	4303330055		Fee	GW	APD	C
STACEY HOLLOW 14-35	35	070N	070E	4303330056	13104	Fee	GW	S	C
SIMS 13-33	33	070N	080E	4303330051		Fee	GW	APD	C
NEPONSET 4-35	35	080N	070E	4303330048		Fee	GW	APD	C
MURPHY RIDGE 1-32	32	080N	080E	4303330045	12970	State	GW	S	C
MURPHY RIDGE 7-32	32	080N	080E	4303330046		State	GW	APD	C
CRAWFORD 4-25	25	090N	070E	4303330065		Fee	GW	APD	C

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 8/25/20032. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 8/25/20033. The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 8/25/20034. Is the new operator registered in the State of Utah: YES Business Number: 4743368-01615. If **NO**, the operator was contacted contacted on: _____

6. (R649-9-2) Waste Management Plan has been received on: _____

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases or N/A

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: N/A

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: N/A

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

DATA ENTRY:

1. Changes entered in the Oil and Gas Database on: 10/31/2003
2. Changes have been entered on the Monthly Operator Change Spread Sheet on: 10/31/2003
3. Bond information entered in RBDMS on: 10/31/2003
4. Fee wells attached to bond in RBDMS on: 10/31/2003

STATE WELL(S) BOND VERIFICATION:

1. State well(s) covered by Bond Number: 885708C

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: N/A

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: N/A

FEE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number 885588C
2. The **FORMER** operator has requested a release of liability from their bond on: N/A
The Division sent response by letter on: N/A

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 10/30/2003

COMMENTS:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Quaneco, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: (307) 673-1500		8. WELL NAME and NUMBER: Crawford 4-25
4. LOCATION OF WELL FOOTAGES AT SURFACE: 472' FNL 748' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 25 T9N R7E S		9. API NUMBER: 4303330065
		10. FIELD AND POOL, OR WILDCAT: Wildcat
		COUNTY: Rich
		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON	
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE	
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL	
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: _____	
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION		

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Operator requests a one year extension of permit to drill.

RECEIVED

NOV 28 2003

DIV. OF OIL, GAS & MINING

Approved by the
Utah Division of
Oil, Gas and Mining
Date: 11-28-03
By: [Signature]

COPY SENT TO OPERATOR

Date: 12-3-03
Initials: CJD

NAME (PLEASE PRINT) Lorna James	TITLE Administrative Assistant
SIGNATURE [Signature]	DATE 11/18/2003

(This space for State use only)



State of Utah

Department of
Natural Resources

ROBERT L. MORGAN
Executive Director

Division of
Oil, Gas & Mining

LOWELL P. BRAXTON
Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

May 24, 2004

Casey Osborn
Quaneco, LLC
P. O. Box 7370
Sheridan, Wyoming 82801

Re: Notice's of Violation (NOV's) – Wells/locations in Rich
County, Utah

Dear Mr. Osborn:

On August 11, 2003, Division staff member's conducted inspections of wells located in Rich County, Utah, operated by Fat Chance Oil & Gas, LLC "Fat Chance". Quaneco, LLC "Quaneco" was the mineral lessee, Fat Chance was the designated operator.

Several of the wells had been drilled and completed however the reserve pits had not been closed and reclaimed within 1 year following drilling and completion of the well's in accordance with R649-3-16 et al (copy enclosed), Reserve Pits and Other Onsite Pits.

In addition, some well locations had drill pads, access roads, and pits built that were not being maintained, where no drilling activity had taken place, a violation of R649-3-15 et al (copy enclosed), Pollution and Surface Damage Control.

Fat Chance was notified via telephone in late August 2003, of the above stated non-compliance issues, and was advised to comply before winter 2003.

Page 2
Quaneco, LLC
May 24, 2004

On May 18, 2004, a Division staff member conducted follow-up inspections to verify compliance. Please be advised that the wells listed below are still in non-compliance status, therefore, a Notice of Violation is being issued to Quaneco, current operator and lessee, for the wells listed below, effective May 18, 2004.

Crane 4-4 43-033-30049 Sec. 04, T6N, R8E
Completed 3/31/01, pit should have been reclaimed by 3/31/02. Pit 2/3 full, pits' north slope not fenced. Liner is showing signs of wear and tear, and pad/access road is overgrown with weeds/sagebrush.

Crane 12-4 43-033-30050 Sec. 04, T6N, R8E
Completed 9/15/01, pit should have been reclaimed by 9/15/02. Pit has approx. 4" water. Liner is showing signs of wear and tear.

Crane 13-8 43-033-30052 Sec. 08, T6N, R8E
Completed 7/27/01, pit should have been reclaimed by 7/27/02. Pit 2/3 full. Liner is showing signs of wear and tear, and pad/access road is overgrown with weeds/sagebrush. Drill pipe not in use on location.

Crawford 4-25 43-033-30065 Sec. 25, T9N, R7E (Spud)
Well not drilled, rat hole spud not reported, TD unknown. Pit has approx. 6" water. Liner is showing signs of wear and tear.

Murphy Ridge 1-32 43-033-30045 Sec. 32, T8N, R8E
Completed 8/18/02, pit should have been reclaimed by 8/18/03. Pit is full of mud/water, and is not fenced. Liner is torn and is falling in. Drill pipe not in use on location.

Murphy Ridge 7-32 43-033-30046 Sec. 32, T8N, R8E
Well not drilled. Pit semi-built, not lined or fenced. Pad/access road is overgrown with weeds/sagebrush.

Stacy Hollow 14-35 43-033-30056 Sec. 35, T7N, R7E
Completed 9/11/01, pit should have been reclaimed by 9/11/02. Pit 1/2 full. Liner is showing signs of wear and tear, and pad/access road is overgrown with weeds/sagebrush.

Suttons 4-12 43-033-30058 Sec. 12, T6N, R7E
Completed 10/3/01, pit should have been reclaimed by 10/3/02. Pit has approx. 4" water. Liner is showing signs of wear and tear, and pad/access road is overgrown with weeds/sagebrush. Drill pipe not in use on location.

Page 3
Quaneco, LLC
May 24, 2004

Quaneco has (30) thirty days, from receipt of this letter, to close and reclaim the reserve pits on the locations where the wells have been drilled and completed. In addition, all drill pads and access roads need to be cleared of weeds/sagebrush, and all scrap or other materials not in use at the locations should be removed from the property or be stored in an orderly manner.

Quaneco has (30) thirty days, from receipt of this letter, to report information regarding the rat hole spud on the Crawford 4-25 well, and to replace the pit liner or close and reclaim the pit, plug the rat hole spud, and reclaim the entire location. The permit expires on 11/28/04.

Quaneco has (30) thirty days, from receipt of this letter, to install a fence around the partially constructed reserve pit at the Murphy Ridge 7-32 well location, and to clear the weeds and sagebrush from the drill pad and access road or close and reclaim the reserve pit, and reclaim the entire location. The permit expires 12/31/04.

The NOV's will remain in effect until the listed deficiencies are corrected. Failure to comply will result in further enforcement action by the Division.

If you have any questions regarding this matter please contact Lisha Cordova at (801)538-5296 or Dan Jarvis at (801)538-5338.

Sincerely,



(fr)

John R. Baza
Associate Director

cc: Gil Hunt, Technical Services Manager
Bill Hopkin, Deseret Land & Livestock/Landowner
Ed Bonner, SITLA/Landowner (Murphy Ridge 1-32 & 7-32)
George Frazier, Landowner (Crawford 4-25)

QUANECO, LLC

Box 7370-Sheridan, WY 82801-Office 307-673-1500-Fax 307-673-1400 quaneco@fiberpipe.net

June 15, 2004

Mr. Dustin Doucet
Utah Department of Natural Resources
Division of Oil, Gas, & Mining
1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801

Re: Response to NOV's dated May 24, 2004 and received June 3, 2004

Dear Mr. Doucet:

Quaneco has been evaluating the subject leases since 2001. The program has consisted of drilling wells and testing to either condemn or prove viability. Due to the fact that zones of interest have been penetrated that are potentially profitable, Quaneco is reluctant to abandon wellbores and/or wellsites that may prove to be valuable based upon future exploration.

Quaneco is cognizant of the regulations attached with the letter and has indeed taken all reasonable precautions to avoid polluting. In addition to pollution prevention, Quaneco has gone beyond the requirements of the negotiated surface use agreement to construct new roads, upgrade existing roads, install cattle guards, build bridges, pay for steel gates, seed disturbed areas with the surface owner's recommended seed mix and minimize surface disturbance. Quaneco has been sensitive to the landowner's organized surface activities such as the handcart reenactments by scheduling drilling and testing operations to prevent disturbance. Quaneco has respected the landowner by not storing an excessive amount of equipment on locations. Today, only a minimal amount of equipment is stored. Quaneco has consistently responded to the landowner's requests. However, Quaneco is not in the position to influence royalty owners to give a portion of royalty to another royalty owner.

Quaneco believes that permission has been granted to date to delay pit reclamation; however, it was understood that the pit situation would be reevaluated this summer. Throughout the past three years, Quaneco has maintained contact with your office and the landowner. We have made it clear that the results from the exploration activities to date have been inconclusive at best, but recognize the prospect has unlimited potential geologically and Quaneco's belief in the area is substantiated by the continuing investment of time and money.

RECEIVED

JUN 22 2004

DIV. OF OIL, GAS & MINING

Quaneco will begin mobilizing to respond to the claims of violation. Quaneco is unable to meet the thirty-day requirements on most of the claims due to the unexpected position from your agency of violation and the short notice. Once again, I believe Quaneco has been extremely sensitive to cooperating with both your agency and the landowners. When there was news to report, we have reported and we do believe that we had permission to delay pit reclamation. Therefore, I formally request that you allow us to proceed in a cost efficient manner to perform the minimal amount of work that needs to be accomplished. We have already contacted the contractor recommended by the landowner to perform this work; however, his schedule would not allow him to complete all of the work within thirty days.

Quaneco did not consider the Crawford 4-25 a legitimate spud so did not report same. Quaneco has been in contact with the landowner for the duration and has honored and responded to his requests in the past.

Quaneco is a prudent operator and has legally leased the minerals on these properties. Our intent is to explore for and hopefully develop commercial volumes of natural gas. We understand that adherence to regulations is necessary. We recognize the value of cooperation with your agency and we respect your agency's role of being good stewards of the land.

I will be looking forward to your response and in the meantime we will move forward with correcting the claimed deficiencies.

Sincerely,

A handwritten signature in black ink, appearing to read "Casey Osborn". The signature is fluid and cursive, with a long horizontal stroke at the end.

Casey Osborn

QUANECO

Committed to American Energy Independence

August 19, 2004

Mr. Dustin Doucet
Utah Department of Natural Resources
Division of Oil, Gas, & Mining
1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801

RECEIVED
AUG 26 2004
DIV. OF OIL, GAS & MINING

Re: Quaneco's Rich County activity forecast for fourth quarter 2004

Dear Mr. Doucet:

Quaneco intends to backfill and reclaim the reserve pits at the following locations this fall:

Crane 4-4
Crane 12-4
Crane 13-8
Suttons 4-12
Stacey Hollow 14-35
Murphy Ridge 1-32

Quaneco intends to backfill the reserve pit and reclaim the entire location at the following two locations this fall:

Murphy Ridge 7-32
~~Crane 4-25~~ Crawford 4-25

Reseeding will be conducted in cooperation with Deseret Land.

Quaneco has entered into an agreement with Fellows Energy allowing them an opportunity to conduct exploration operations for the near term. It is anticipated that Fellows' operations and evaluations will continue through 2005; therefore, Quaneco intends to maintain all existing wellbores in a shut in status.

Sincerely,

Casey Osborn
Casey Osborn by *SKJ*

Division of Oil, Gas and Mining
PHONE CONVERSATION DOCUMENTATION FORM

Route original/copy to:

☐ Well File _____

☐ Suspense

☐ Other

(Loc.) Sec _____ Twp _____ Rng _____
(API No.) _____

(Return Date) _____

(To-Initials) _____

1. Date of Phone Call: 9/20/04 Time: 11:00

2. DOGM Employee (name) J. Cordove (☒ Initiated Call)

Talked to:

Name Terry Pruitt (☐ Initiated Call) - Phone No. (307) 679-4407
of (Company/Organization) T.P. Const. Inc.

3. Topic of Conversation: Burke Teichert new DLE Ranch Mgr. 7/2004,
referred me to Terry for reclaim update regarding
Queneco properties on ranch.

4. Highlights of Conversation: _____

Crane 12-4 - Pit reclaimed. 9/2004

Suttons 4-12 - Pit reclaimed 9/19/04.

Murphy Ridge 1-32 - Pit reclaimed. 9/2004.

Crane 4-4 - Pit reclaim started - more wtr. evap required, done by end of Sep

Crane 13-8 - Pit has too much water, need to haul off, done by end of Oct.

Stacey Hollow 14-35 - Pit reclaim in progress, should be done end of Sept.

Murphy Ridge 7-32 - Complete reclaim should be done by end of Oct.

Crawford 4-25 - Complete reclaim should be done by end of Oct.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

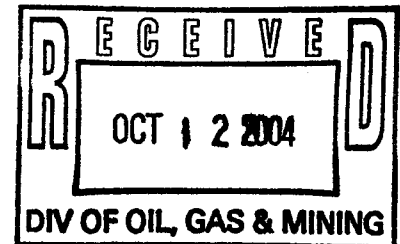
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Quaneco, LLC	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801	7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: (307) 673-1500	8. WELL NAME and NUMBER: Crawford 4-25
9. API NUMBER: 4303330065	10. FIELD AND POOL, OR WILDCAT: Wildcat

4. LOCATION OF WELL FOOTAGES AT SURFACE: 472' FNL 748' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 25 T9N R7E S	COUNTY: Rich STATE: UTAH
---	-----------------------------

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: _____

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
Spudded hole August 27, 2001. Drilled rathole to 40'.



NAME (PLEASE PRINT) Lorna James	TITLE Administrative Assistant
SIGNATURE <i>Lorna James</i>	DATE 10/8/2004

(This space for State use only)

Division of Oil, Gas and Mining
PHONE CONVERSATION DOCUMENTATION FORM

Route original/copy to:

☐ Well File Crawford 4-25
43-033-30065
(Loc.) Sec 25 Twp 9N Rng 7E
(API No.) _____

☐ Suspense
(Return Date) _____
(To-Initials) _____

☐ Other

1. Date of Phone Call: 10/21/04 Time: 3:40

2. DOGM Employee (name) L. Cordova (☒ Initiated Call)

Talked to:

Name Bill Courtney (☐ Initiated Call) - Phone No. (307) 673-1500 ext. 12
of (Company/Organization) Quaneco LLC

3. Topic of Conversation: Reserve pit, lines needs to be replaced
before drilling ops continue or reclaim pit & plug rat
hole (40') spud, & seed.

4. Highlights of Conversation: _____

No answer.

10/26/04 George Frazier (435) 793-4119 Woodruff Mt.

No answer.

11/1/04 No answer.

11/8/04 Johnny Lewis / Quaneco Need new lines before drilling
ops begin in spring 05.

Lorne James - Submit entity form to Earlene.

November 1, 2004

Casey Osborn
Quaneco LLC
P.O. Box 7370
Sheridan, Wyoming 82801

Re: Satisfactory Closure for Notice of Violation (NOV) Dated May 24, 2004.

Mr. Osborn,

The compliance work accomplished by Quaneco since the issuance of the NOV dated May 24, 2004 is acknowledged, and is adequate for Closure of the NOV.

There is however some work in progress and other related items of concern that remain. The Division will be conducting field inspections again in the spring of 2005 and will be looking into any remaining items of concern. It should be noted that your permit to drill does not include a permit to store unused equipment, tubing or casing on the location. That, along with the condition of your pit liners are some of the items we will be inspecting in the spring.

Questions regarding this matter should be directed to Lisha Cordova in our Salt Lake Office, at (801) 538-5296.

Sincerely,

K. Michael Hebertson
Manager, Hearings & Enforcement



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5340 telephone
(801) 359-3940 fax
(801) 538-7223 TTY
www.nr.utah.gov

Michael O. Leavitt
Governor
Robert L. Morgan
Executive Director
Lowell P. Braxton
Division Director

November 25, 2004

Lorna James
Fat Chance Oil & Gas, LLC
PO Box 7370
Sheridan, WY 82801

Re: Notification of Sale or Transfer of Fee Lease Interest

Dear Ms. James:

The Division has received notification of a operator change from Fat Chance Oil & Gas, LLC to Quaneco, LLC for the attached list of wells which are located on fee leases.

Utah Administrative Rule R649-2-10 states; the owner of a lease shall provide notification to any person with an interest in such lease, when all or part of that interest in the lease is sold or transferred.

This letter is written to advise Fat Chance Oil & Gas, LLC of its responsibility to notify all individuals with an interest in this lease (royalty interest and working interest) of the change of operator. Please provide written documentation of this notification to:

Utah Royalty Owners Association
Box 1292
Roosevelt, Utah 84066

Your assistance in this matter is appreciated.

Sincerely,

Earlene Russell
Engineering Technician

cc: Utah Royalty Owners Association, Lamar Wilson
John R. Baza, Associate Director

Fat Chance Oil & Gas, LLC
November 25, 2004

ATTACHMENT "A"

<u>Well Name</u>	<u>Sec.-Twsp -Rng.</u>	<u>API Number</u>
NEPONSET 4-35	35 080N 070E	4303330048
CRANE 4-4	04 060N 080E	4303330049
CRANE 12-4	04 060N 080E	4303330050
SIMS 13-33	33 070N 080E	4303330051
CRANE 13-8	08 060N 080E	4303330052
CRANE 6-7	07 060N 080E	4303330053
CRANE 13-6	06 060N 080E	4303330054
CRANE 13-18	18 060N 080E	4303330055
STACEY HOLLOW 14-35	35 070N 070E	4303330056
SUTTONS 4-12	12 060N 070E	4303330058
CRAWFORD 4-25	25 090N 070E	4303330065
COALVILLE 9-3	03 020N 050E	4304330322
COALVILLE 12-3	03 020N 050E	4304330323

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

RECEIVED

FORM 6

NOV 29 2004

ENTITY ACTION FORM

DIV. OF OIL, GAS & MINING

Operator: Quaneco, LLC
Address: PO Box 7370
city Sheridan
state WY zip 82801

Operator Account Number: N 2495

Phone Number: (307) 673-1500

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
4303330065	Crawford 4-25	NWNW	25	9N	7E	Rich
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
A	99999	14408	8/27/2001	11/30/04		
Comments: Only drilled rathole. No surface casing set. <i>BRRVR</i>						

CONFIDENTIAL

Well 2

API Number	Well Name	QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
Comments:						

Well 3

API Number	Well Name	QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
Comments:						

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Lorna James
Name (Please Print)
Lorna James
Signature
Admin Asst.
Title
11-26-04
Date

Well Data

WELL SEARCH

WELL DATA

WELL HISTORY

WELL ACTIVITY

WELL NAME CRAWFORD 4-25

API NUMBER 4303330065

WELL TYPE GW

WELL STATUS DRL

OPERATOR QUANECO, LLC

ACCOUNT N2495 #

OPERATOR APPROVED BY BLM / BIA ☐

DESIGNATED OPERATOR

ACCOUNT

FIELD NAME WILDCAT

FIELD NUMBER 1

FIRST PRODUCTION

LA / PA DATE

WELL LOCATION:

SURF LOCATION

Q. S. T. R. M. NWNW 25 09.0 N 07.0 E S

COUNTY RICH

UTM Coordinates:

SURFACE - N 4593404.00

BHL - N

SURFACE - E 491070.00

BHL - E

LATITUDE 41.49412

LONGITUDE -111.10700

CONFIDENTIAL FLAG ☒

LEASE NUMBER FEE

CONFIDENTIAL DATE

MINERAL LEASE TYPE 4

DIRECTIONAL / HORIZONTAL

SURFACE OWNER TYPE 4

HORIZONTAL LATERALS

INDIAN TRIBE

ORIGINAL FIELD TYPE W

C.A. NUMBER

WILDCAT TAX FLAG ☐

UNIT NAME

CB-METHANE FLAG ☐

CUMULATIVE PRODUCTION:

ELEVATION 5983 GR

OIL

BOND NUMBER / TYPE 04-002

5

GAS

WATER

WELL IMAGES

PRODUCTION GRAPH

COMMENTS 020807 1YR APD EXT:031031 FR N1395:031128 1YR APD EXT:040518 INSP/RATHOLE SPUD TD?CANNOT RESCIND UNTIL PA:

Create New Rec

Save

Cancel Change

To History

To Activity

Print Recd

Export Recd



STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:

Fee

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:

Crawford 4-25

9. API NUMBER:

4303330065

10. FIELD AND POOL, OR WILDCAT:

Wildcat

1. TYPE OF WELL

OIL WELL ☐

GAS WELL ☒

OTHER ☐

2. NAME OF OPERATOR:

Quaneco, LLC

3. ADDRESS OF OPERATOR:

PO Box 7370

CITY Sheridan

STATE WY

ZIP 82801

PHONE NUMBER:

(307) 673-1500

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 472' FNL 748' FWL

COUNTY: Rich

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 25 T9N R7E S

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ NOTICE OF INTENT
(Submit in Duplicate)

Approximate date work will start:

☐ SUBSEQUENT REPORT
(Submit Original Form Only)

Date of work completion:

TYPE OF ACTION

☐ ACIDIZE

☐ ALTER CASING

☐ CASING REPAIR

☐ CHANGE TO PREVIOUS PLANS

☐ CHANGE TUBING

☐ CHANGE WELL NAME

☐ CHANGE WELL STATUS

☐ COMMINGLE PRODUCING FORMATIONS

☐ CONVERT WELL TYPE

☐ DEEPEN

☐ FRACTURE TREAT

☐ NEW CONSTRUCTION

☐ OPERATOR CHANGE

☐ PLUG AND ABANDON

☐ PLUG BACK

☐ PRODUCTION (START/RESUME)

☒ RECLAMATION OF WELL SITE

☐ RECOMPLETE - DIFFERENT FORMATION

☐ REPERFORATE CURRENT FORMATION

☐ SIDETRACK TO REPAIR WELL

☐ TEMPORARILY ABANDON

☐ TUBING REPAIR

☐ VENT OR FLARE

☐ WATER DISPOSAL

☐ WATER SHUT-OFF

☐ OTHER: _____

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Operator proposes to reclaim location including pit reclamation and filling in the 40' rathole with dirt and compacting dirt used to fill rathole. Given that surface casing was never ran and the rathole has sloughed in, the State of Utah has recommended just filling in the hole with dirt and compacting it. Operator proposes TP Construction to complete said work. TP Construction has also been advised that the rathole will need to be inspected and possibly more dirt filled in and compacted after initial reclamation.

COPY SENT TO OPERATOR
Date: 3/21/07
Initials: LJB

NAME (PLEASE PRINT) Lorna James

TITLE Administrative Assistant

SIGNATURE

Lorna James

DATE 3/13/2007

(This space for State use only)

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

DATE: 3/21/07

BY: *[Signature]*

(See Instructions on Reverse Side)

*Contact Division Prior to conducting operation

RECEIVED

MAR 19 2007

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Quaneco, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: (307) 673-1500		8. WELL NAME and NUMBER: Crawford 4-25
4. LOCATION OF WELL FOOTAGES AT SURFACE: 472' FNL 748' FWL COUNTY: Rich		9. API NUMBER: 4303330065
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 25 T9N R7E S STATE: UTAH		10. FIELD AND POOL, OR WILDCAT: Wildcat

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON	
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> CHANGE TUBING	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE	
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL	
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____	
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION		

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Operator contracted to TP Construction to reclaim location including reseeding. Operator is pursuing a Release of Liability for the location at the request of the Division and will forward said Release once it is executed by the Land Owner

NAME (PLEASE PRINT) <u>Lorna James</u>	TITLE <u>Administrative Assistant</u>
SIGNATURE <u><i>Lorna James</i></u>	DATE <u>8/24/2007</u>

(This space for State use only)

RECEIVED
AUG 29 2007
DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

AMENDED REPORT ☐ FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____ b. TYPE OF WORK: NEW WELL <input type="checkbox"/> HORIZ. LATS. <input type="checkbox"/> DEEP-EN <input type="checkbox"/> RE-ENTRY <input checked="" type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> OTHER P&A						5. LEASE DESIGNATION AND SERIAL NUMBER: Fee			
2. NAME OF OPERATOR: Quaneco, LLC						6. IF INDIAN, ALLOTTEE OR TRIBE NAME 7. UNIT or CA AGREEMENT NAME 8. WELL NAME and NUMBER: Carwford 4-25			
3. ADDRESS OF OPERATOR: PO Box 7370 CITY Sheridan STATE WY ZIP 82801				PHONE NUMBER: (307) 673-1500		9. API NUMBER: 4303330065			
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 472' FNL 748' FWL AT TOP PRODUCING INTERVAL REPORTED BELOW: AT TOTAL DEPTH:						10. FIELD AND POOL, OR WILDCAT Wildcat			
14. DATE SPURRED: 8/27/2001						15. DATE T.D. REACHED: 5/1/2007			
16. DATE COMPLETED: 5/1/2007						ABANDONED <input checked="" type="checkbox"/> READY TO PRODUCE <input type="checkbox"/>			
17. ELEVATIONS (DF, RKB, RT, GL):		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 25 T9N R7E S							
12. COUNTY Rich		13. STATE UTAH							
18. TOTAL DEPTH: MD 40 TVD		19. PLUG BACK T.D.: MD TVD		20. IF MULTIPLE COMPLETIONS, HOW MANY? *		21. DEPTH BRIDGE PLUG SET: MD TVD			
22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each) none				23. WAS WELL CORED? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit analysis) WAS DST RUN? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit report) DIRECTIONAL SURVEY? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit copy)					
24. CASING AND LINER RECORD (Report all strings set in well)									
HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
none									
25. TUBING RECORD									
SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	
none									
26. PRODUCING INTERVALS					27. PERFORATION RECORD				
FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS	
(A)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>
(B)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>
28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.									
DEPTH INTERVAL		AMOUNT AND TYPE OF MATERIAL							
29. ENCLOSED ATTACHMENTS: <input type="checkbox"/> ELECTRICAL/MECHANICAL LOGS <input type="checkbox"/> SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION						<input type="checkbox"/> GEOLOGIC REPORT <input type="checkbox"/> CORE ANALYSIS		<input type="checkbox"/> DST REPORT <input type="checkbox"/> OTHER: _____	
<input type="checkbox"/> DIRECTIONAL SURVEY						30. WELL STATUS: P&A'ed			

AUG 31 2007

DIV. OF OIL, GAS & MINING

31. INITIAL PRODUCTION
INTERVAL A (As shown in Item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

INTERVAL B (As shown in Item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

INTERVAL C (As shown in Item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

INTERVAL D (As shown in Item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)
33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)

35. ADDITIONAL REMARKS (Include plugging procedure)

The dirt had sloughed in and TP Construction filled in the hole with dirt and compacted it. No casing was ever set at this location

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) Lorna James

TITLE Administrative Assistant

SIGNATURE

Lorna James

DATE 8/29/2007

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340
Fax: 801-359-3940